

OKNM 020396



# United States Department of the Interior

BUREAU OF LAND MANAGEMENT  
Oklahoma Field Office  
201 Stephenson Parkway, Suite 1200  
Norman, Oklahoma 73072  
[www.blm.gov/nm](http://www.blm.gov/nm)



In Reply Refer To:  
OKNM136713(CORRECTED)  
3105 (NM04000)

February 24, 2018

## FEDEX—STANDARD OVERNIGHT

Cimarex Energy Company  
c/o Reagan Smith Energy Solutions, Inc.  
Attn: Cheryl Mitchell  
1219 Classen Drive  
Oklahoma City, OK 73103

Gentlemen:

### **1. Agreement Identification Number OKNM136713**

Communitization Agreement **OKNM136713**, which forms a 623.930-acre communitized area described as all of Sec. 01, T. 10 N., R. 08 W., I.M., Canadian and Grady Counties, Oklahoma, provides for a Production Allocation Factor that is determined by dividing the length of the completed interval in each Communitization Agreement, or governmental section if not Federally communitized, by the entire length of the completed interval in any Multi-Unit Horizontal Well drilled into the communitized substances. A Multi-Unit Horizontal Well is defined as any well whose wellbore, or part thereof, is completed in two or more governmental sections and for which the production is to be divided proportionately. Communitization Agreement OKNM136713 contains 77.49 acres subject to Federal Leases OKNM 20396 and OKNM 28183 and is limited to the production of oil and gas from the Woodford Formation.

### **2. Production Allocation Factor**

A. Well Name:	Gary 1H-3601X
B. First Production Date:	December 07, 2015
C. Length of Entire Completion Interval:	7,249 feet
D. Length of Completion Interval in OKNM136713:	4,879 feet
E. Length of Completion Interval in Section 36:	2,370 feet
F. Production Allocation Factor for OKNM136713:	4,879 ft./7,249 ft. or .673058
G. API Number assigned to OKNM136713:	<b>35-017-24812-00-A1</b>



#### **4. Additional Multi-Unit Horizontal Wells**

An additional and separate production start-up report will be required for any additional Multi-Unit Horizontal Wells drilled within the communitized area, and each such report must be filed as required by 43 CFR 3162.4-1. This approval is granted subject to the condition that the requirements of Section 102(b)(3) of the Federal Oil and Gas Royalty Management Act of 1982, be satisfied for any and all wells drilled anywhere within the communitized area.

Section 102(b)(3) of the Federal Oil and Gas Royalty Management Act of 1982, as implemented by the applicable provisions of the operating regulations at 43 CFR 3162.4-1(c), requires that "not later than the 5<sup>th</sup> business day after any well begins production on which royalty is due anywhere on a lease site, or allocated to a lease site, or resumes production in the case of a well which has been off production for more than 90 days, the operator shall notify the authorized officer by letter or Sundry Notice, Form 3160-5, or orally to be followed by a letter or Sundry Notice, of the date on which said production has begun or resumed" or the CA Operator will be assessed interest for late payment under the Federal Oil and Gas Royalty Management Act of 1982 (See 30 CFR 218.54).

#### **5. Reports to be filed with the Office of Natural Resources Revenue**

This approval also requires submission of new or amended production reports and payment of royalties to the Office of Natural Resources Revenue (ONRR) within 30 days of the BLM approval date.

The Oil and Gas Operations Report (OGOR, Form ONRR-4054) must be submitted for the CA, beginning with the effective date of the agreement. If you need assistance on operations reporting, please contact the ONRR at 1-800-525-7922.

Production royalties must be paid and reported on The Report of Sales and Royalty Remittance (Form ONRR-2014) by the end of the month following the production month or the Operator will be assessed interest for late payment under the Federal Oil and Gas Royalty Management Act of 1982 (see 30 CFR 218.54). If you need assistance on royalty reporting, please contact the ONRR at 1-800-525-9167.

The date on which production is commenced or resumed will be construed for oil wells as the date on which liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated, or the date on which liquid hydrocarbons are first produced into a permanent storage facility, whichever first occurs; and, for gas wells, as the date on which associated liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated, or the date on which gas is first measured through permanent metering facilities, whichever first occurs.



If you fail to comply with this requirement in the manner and time allowed, you may be liable for a civil penalty of up to \$10,000 per violation for each day such violation continues, not to exceed a maximum of 20 days. See Section 109(c)(3) of the Federal Oil and Gas Royalty Management Act of 1982, and the implementing regulations at 43 CFR 3163.2(e)(2).

Should you have any questions, please contact Melissa Luksa at the address above, by e-mail at [mluksa@blm.gov](mailto:mluksa@blm.gov), or call (405) 579-7143.

Sincerely,



Tim Colon  
Supervisory Land Law Examiner  
Division of Minerals

Enclosure(s)

cc:

New Mexico State Office  
Fluids Adjudication Section, NM9220  
301 Dinosaur Trail  
Santa Fe, NM 87508

Office of Natural Resources Revenue  
Reporting and Solid Minerals Services  
P.O. Box 25165, MS 63230B  
Denver, CO 80225

NM04200:mluksa:02/24/2018:x7143:M:\NORMAN\ADJUDICATION\AGREEMENTS\CA\FED  
2018\OKNM136713.ALLOCATION

- ☐ Correspondence: Gary 1H-3601X Well File
- ☒ Correspondence: OKNM 020396
- ☐ Correspondence: OKNM 028183
- ☐ Subject File





# United States Department of the Interior

BUREAU OF LAND MANAGEMENT  
Oklahoma Field Office  
201 Stephenson Parkway, Suite 1200  
Norman, Oklahoma 73072  
[www.blm.gov/nm](http://www.blm.gov/nm)



In Reply Refer To:  
OKNM 020396  
3105 (NM04000)

March 15, 2018

## Memorandum

To: Land Law Examiner, Fluids Adjudication Section, NMSO- NM9220

From: Supervisory Land Law Examiner, Division of Minerals, OFO- NM0420

Subject: First Actual Production for Federal Lease No. OKNM 020396 located in Sec. 2, T. 10 N., R. 8 W. and Sec. 35, T. 11 N., R. 8 W., I.M., Canadian County, Oklahoma.

Date Well Spud: April 26, 2017  
Date of First Production: August 28, 2017  
Date of Completion: August 26, 2017

Well Name/Number:  
Hines Federal 1H-0235X  
API#: 35-051-24117

Well Operator/Address/Telephone No.:  
Cimarex Energy Co. (918) 560-7275  
202 S. Cheyenne Ave. Ste. 1000  
Tulsa, OK 74103

SHL Location: SWSE, Sec. 2, T. 10 N., R. 08 W., I.M., Canadian County, OK (Actual)  
BHL Location: NWNE, Sec. 35, T. 11 N., R. 08 W., I.M., Canadian County, OK (Actual)

Total Depth and Surface Elevation: TD: 21,634 Elev.: 1,278 GL  
Producing Formation: Woodford (12,155' - 21,608')  
Initial Daily Production: 496 BO; 3633 MCFG; 1919 BW  
Well Capable of Production in Paying Quantities? Yes  
Status: Producing Oil Well

Remarks: Federal Lease No. OKNM 020396 will be held by actual production effective August 28, 2017

If you have any questions or concerns please contact Melissa luksa at 405-739-7143.

Tim Colon



cc:

ONRR- Reporting and Solid Minerals Services

P.O. Box 25165, MS 63230B

Denver, CO 80225

NM04200:Mluksa:x7143:3/15/18:M:\Norman\Minerals\Adjudication\Lease- FED\FPM\OKNM  
20396.FPM.docx

☐ Well File- Correspondence: Hines Federal 1H-0235X

☐ Subject File





# United States Department of the Interior

BUREAU OF LAND MANAGEMENT  
Oklahoma Field Office  
201 Stephenson Parkway, Suite 1200  
Norman, Oklahoma 73072  
[www.blm.gov/nm](http://www.blm.gov/nm)



In Reply Refer To:  
OKNM136713  
3105 (NM04000)

January 31, 2018

## FEDEX—STANDARD OVERNIGHT

Cimarex Energy Company  
c/o Reagan Smith Energy Solutions, Inc.  
Attn: Cheryl Mitchell  
1219 Classen Drive  
Oklahoma City, OK 73103

Gentlemen.

### **1. Agreement Identification Number OKNM136713**

Communitization Agreement **OKNM136713**, which forms a 623.930-acre communitized area described as all of Sec. 01, T 10 N, R. 08 W., I M, Canadian and Grady Counties, Oklahoma, provides for a Production Allocation Factor that is determined by dividing the length of the completed interval in each Communitization Agreement, or governmental section if not Federally communitized, by the entire length of the completed interval in any Multi-Unit Horizontal Well drilled into the communitized substances. A Multi-Unit Horizontal Well is defined as any well whose wellbore, or part thereof, is completed in two or more governmental sections and for which the production is to be divided proportionately. Communitization Agreement OKNM136713 contains 77.49 acres subject to Federal Leases OKNM 20396 and OKNM 28183 and is limited to the production of oil and gas from the Woodford Formation.

### **2. Production Allocation Factor**

A. Well Name:	Gary 1H-3601X
B. First Production Date:	December 07, 2015
C. Length of Entire Completion Interval:	7,249 feet
D. Length of Completion Interval in OKNM136713:	5,032 feet
E. Length of Completion Interval in Section 36:	2,217 feet
F. Production Allocation Factor for OKNM136713	5,032 ft./7,249 ft or .6941650
G. API Number assigned to this Allocation Factor:	<b>35-017-24812-00-A1</b>



#### **4. Additional Multi-Unit Horizontal Wells**

An additional and separate production start-up report will be required for any additional Multi-Unit Horizontal Wells drilled within the communitized area, and each such report must be filed as required by 43 CFR 3162.4-1. This approval is granted subject to the condition that the requirements of Section 102(b)(3) of the Federal Oil and Gas Royalty Management Act of 1982, be satisfied for any and all wells drilled anywhere within the communitized area.

Section 102(b)(3) of the Federal Oil and Gas Royalty Management Act of 1982, as implemented by the applicable provisions of the operating regulations at 43 CFR 3162.4-1(c), requires that “not later than the 5<sup>th</sup> business day after any well begins production on which royalty is due anywhere on a lease site, or allocated to a lease site, or resumes production in the case of a well which has been off production for more than 90 days, the operator shall notify the authorized officer by letter or Sundry Notice, Form 3160-5, or orally to be followed by a letter or Sundry Notice, of the date on which said production has begun or resumed” or the CA Operator will be assessed interest for late payment under the Federal Oil and Gas Royalty Management Act of 1982 (See 30 CFR 218.54).

#### **5. Reports to be filed with the Office of Natural Resources Revenue**

This approval also requires submission of new or amended production reports and payment of royalties to the Office of Natural Resources Revenue (ONRR) within 30 days of the BLM approval date.

The Oil and Gas Operations Report (OGOR, Form ONRR-4054) must be submitted for the CA, beginning with the effective date of the agreement. If you need assistance on operations reporting, please contact the ONRR at 1-800-525-7922.

Production royalties must be paid and reported on The Report of Sales and Royalty Remittance (Form ONRR-2014) by the end of the month following the production month or the Operator will be assessed interest for late payment under the Federal Oil and Gas Royalty Management Act of 1982 (see 30 CFR 218.54). If you need assistance on royalty reporting, please contact the ONRR at 1-800-525-9167.

The date on which production is commenced or resumed will be construed for oil wells as the date on which liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated, or the date on which liquid hydrocarbons are first produced into a permanent storage facility, whichever first occurs; and, for gas wells, as the date on which associated liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated, or the date on which gas is first measured through permanent metering facilities, whichever first occurs.



If you fail to comply with this requirement in the manner and time allowed, you may be liable for a civil penalty of up to \$10,000 per violation for each day such violation continues, not to exceed a maximum of 20 days. See Section 109(c)(3) of the Federal Oil and Gas Royalty Management Act of 1982, and the implementing regulations at 43 CFR 3163.2(e)(2).

Should you have any questions, please contact Doug Cook at the address above, by e-mail at dcook@blm.gov, or call (405) 579-7133.

Sincerely,

ASSISTANT FIELD MANAGER  
DIVISION OF MINERALS

Tim Colon  
Supervisory Land Law Examiner  
Division of Minerals

Enclosure(s)

cc.

- ☐ NMSO: Fluids Adjudication Section, NM9220
- ☐ ONRR- Reporting and Solid Minerals Services, P O Box 25165, MS 63230B, Denver, CO 80225
- ☐ Correspondence: Gary 1H-3601X Well File
- ☒ Correspondence: OKNM 020396
- ☐ Correspondence: OKNM 028183
- ☐ Subject File

NM04200 DFCook:01/31/2018:x7133.M:\NORMAN\ADJUDICATION\AGREEMENTS\CA\FED  
2017\OKNM136713.ALLOCATION





# United States Department of the Interior



BUREAU OF LAND MANAGEMENT  
Oklahoma Field Office  
201 Stephenson Parkway, Suite 1200  
Norman, Oklahoma 73072  
[www.blm.gov/nm](http://www.blm.gov/nm)

In Reply Refer To:  
OKNM136713  
3105 (NM04000)

January 31, 2018

## Memorandum

To: Land Law Examiner, Fluids Adjudication Section, NMSO

From: Supervisory Land Law Examiner, Division of Minerals **APPROPRIATE FIELD MANAGER  
OKEO  
DIVISION OF MINERALS**

Subject: First Production for Communitization Agreement No. OKNM136713 involving Federal Leases OKNM 020396 and OKNM 028183 located in Sec. 01, T. 10 N., R. 08 W., I.M., Canadian and Grady Counties, Oklahoma.

Date Well Spud: September 22, 2015  
Drilling Finished Date: October 29, 2015  
Date of First Production: December 07, 2015

Drilling Co./Well Name/Number:  
Cimarex Energy Company  
Gary 1H-3601X  
API. 35-017-24812

Well Operator/Address/Telephone No.:  
Cimarex Energy Company (918) 585-1100  
202 S. Cheyenne Ave., Ste. 1000  
Tulsa, OK 74103-3001

SHL Location. W2W2W2E2, Sec. 36, T. 10 N., R. 08 W., I.M., Canadian County, OK  
BHL Location: SWSWSWSW, Sec. 01, T. 10 N., R. 08 W., I.M., Grady County, OK

Total Depth and Surface Elevation: TD 18,942' Elev. 1,276 GL

Producing Formation: Woodford (11,670'-18,919')

Initial Daily Production: 29.9 BO; 473 MCFG; 2,090 BW

Well Capable of Production in Paying Quantities? Yes

Status: Producing Gas Well

Remarks: Communitization Agreement No. OKNM136713, approved June 13, 2017, effective December 06, 2015, communitizes all rights to the oil and gas producible from the Woodford Formation underlying the 623.93-acre drilling and spacing unit described as all of Sec. 01, T. 10 N., R. 08 W., I.M., Canadian and Grady County, OK. Federal Lease OKNM 20396 and OKNM 28183 are already in producing status by other agreements.



cc.

ONRR- Reporting and Solid Minerals Services, P.O Box 25165-MS 63230B, Denver, CO 80225

☐ Well File Correspondence Gary 1H-3601X

☒ Lease File: Correspondence: OKNM 020396

☐ Lease File: Correspondence: OKNM 028183

☐ Subject File

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2018\OKNM136713.FPM





# United States Department of the Interior

BUREAU OF LAND MANAGEMENT  
Oklahoma Field Office  
201 Stephenson Parkway, Suite 1200  
Norman, Oklahoma 73072  
[www.blm.gov/nm](http://www.blm.gov/nm)



In Reply Refer To:  
OKNM136713  
3105 (NM04000)

January 31, 2018

FED EX—Standard Overnight

Cimarex Energy Company  
c/o Reagan Smith Energy Solutions, Inc.  
Attn: Cheryl Mitchell  
1219 Classen Drive  
Oklahoma City, OK 73103

Gentlemen:

**1. Agreement Identification Number OKNM136713**

Enclosed is a copy of approved Communitization Agreement **OKNM136713**, which forms a 623.93-acre communitized area described as all of Sec. 01, T. 10 N., R. 08 W., I.M., Canadian and Grady Counties, Oklahoma. The agreement contains 77.49 acres subject to Federal Leases OKNM 020396 and OKNM 028183, and is limited to the production of oil and gas from Woodford Formation. The effective date of this agreement is December 6, 2015. Please use this designated serial number when filing records or reports for this communitized area.

**2. Public Interest Requirement**

The public interest requirement for this communitized area is the Gary 1H-3601X well, located on private land. **This well was drilled and completed for production in paying quantities from the Woodford Formation effective December 7, 2015, the date of first production from the Gary 1H-3601X well.**

**3. Production Start-up Report**

If the public interest requirement well has been drilled and is now producing, but not yet reported to the Bureau of Land Management (BLM), a production start-up report must be made not later than the 5th business day after your receipt of this letter. If the public interest requirement well has not been completed at this time, a production start-up report must be made not later than the 5th business day after production begins. The report must be made by letter or Sundry Notice, Form 3160-5, and must contain, as a minimum, the following information:

- a. Operator name, address, and telephone number
- b. Well name and number
- c. Well location (1/4, 1/4, Sec., T., R., and PM)
- d. Date well was placed in producing status



- e. The nature of the well's production, i.e., crude oil, or crude oil and casinghead gas, or natural gas and associated liquid hydrocarbons, or both oil and gas
- f. The Federal lease prefix and number on which the well is located, otherwise the non-Federal land category, i.e., State or private
- g. The Communitization Agreement number OKNM136713

If the agreement well is a non-Federal well, a copy of the State completion report should be filed with the Oklahoma Field Office, BLM when the CA well is completed, or when the CA is approved if the well has already been drilled.

#### **4. Additional Communitization Agreement Wells**

An additional and separate production start-up report will be required for any additional wells drilled within the communitized area, and each such report must be filed as required by 43 CFR 3162.4-1. This approval is granted subject to the condition that the requirements of Section 102(b)(3) of the Federal Oil and Gas Royalty Management Act of 1982, be satisfied for any and all wells drilled anywhere within the communitized area.

Section 102(b)(3) of the Federal Oil and Gas Royalty Management Act of 1982, as implemented by the applicable provisions of the operating regulations at 43 CFR 3162.4-1(c), requires that "not later than the 5<sup>th</sup> business day after any well begins production on which royalty is due anywhere on a lease site, or allocated to a lease site, or resumes production in the case of a well which has been off production for more than 90 days, the operator shall notify the authorized officer by letter or Sundry Notice, Form 3160-5, or orally to be followed by a letter or Sundry Notice, of the date on which said production has begun or resumed" or the CA Operator will be assessed interest for late payment under the Federal Oil and Gas Royalty Management Act of 1982 (See 30 CFR 218.54)

#### **5. Reports to be filed with the Office of Natural Resources Revenue**

This approval also requires submission of new or amended production reports and payment of royalties to the Office of Natural Resources Revenue (ONRR) within 30 days of the BLM approval date

The Oil and Gas Operations Report (OGOR, Form ONRR-4054) must be submitted for the CA, beginning with the effective date of the agreement. If you need assistance on operations reporting, please contact the ONRR at 1-800-525-7922.

Production royalties must be paid and reported on The Report of Sales and Royalty Remittance (Form ONRR-2014) by the end of the month following the production month or the Operator will be assessed interest for late payment under the Federal Oil and Gas Royalty Management Act of 1982 (see 30 CFR 218.54). If you need assistance on royalty reporting, please contact the ONRR at 1-800-525-9167.

The date on which production is commenced or resumed will be construed for oil wells as the date on which liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated, or the date on which liquid hydrocarbons are first produced into a permanent storage facility, whichever first occurs; and, for gas wells, as the date on which associated liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated, or the date on which gas is first measured through permanent metering facilities, whichever first occurs.



If you fail to comply with this requirement in the manner and time allowed, you may be liable for a civil penalty of up to \$10,000 per violation for each day such violation continues, not to exceed a maximum of 20 days. See Section 109(c)(3) of the Federal Oil and Gas Royalty Management Act of 1982, and the implementing regulations at 43 CFR 3163.2(e)(2)

**6. Agreement Approval**

Approval of this agreement does not warrant or certify that the Operator, or other operating rights owners, holds legal or equitable title to those rights in the subject leases which are committed hereto. In addition, approval of this agreement does not warrant or certify that the State or Patented land descriptions and acreages are consistent with the latest survey for those lands.

Should you have any questions, please contact Doug Cook at the address above, by e-mail at [dcook@blm.gov](mailto:dcook@blm.gov), or call (405) 579-7133.

Sincerely,

**ASSISTANT FIELD MANAGER**  
**DIVISION OF MINERALS**  
Tim Colon  
Supervisory Land Law Examiner  
Division of Minerals

Enclosure

cc:

- ☐ NMSO. Adjudication Section (NM9220)
- ☐ ONRR- Reporting and Solid Minerals Services, P.O. Box 25165, MS 63230B, Denver, CO 80225
- ☒ Correspondence OKNM 20396
- ☐ Correspondence: OKNM 28183
- ☐ Subject File

NM04200:DFCook:01/31/18:x7133:M\NORMAN\MINERALS\ADJUDICATION\AGREEMENTS\CA  
\FED 2018\OKNM136713.CAAPP



VERIFICATION OF TAX EXEMPT ROYALTY INTEREST

CLAIM NO.:

LEASE NAME:

BLM AGREEMENT NO.

LEGAL DESCRIPTION:

COUNTY:

O.T.C. PROD. UNIT NO.:

STATE:

TAX REMITTER:

FED/INDIAN LEASE SERIAL # OK NM 28183, -20396, -43763, -60798

CLAIMANT:

DATE / COMMENTS

FROM: OKLAHOMA TAX COMMISSION  
ATTN: Bob CALTON  
GROSS PRODUCTION SECTION  
AUDIT DIVISION  
P.O. Box 269060  
OKLAHOMA CITY, OK 73126-9060  
405-521-4205 FAX\*405-522-2272

TO: BUREAU OF LAND MANAGEMENT  
ATTN: LEE PAULI  
7906 E 33 ST STE 101  
TULSA OK 74145-1352  
918-621-4109  
918-621-4130 FAX

SUBJECT: VERIFICATION OF TAX EXEMPT ROYALTY INTEREST.

Claimant states that the above described lease has a code of exemption with a decimal equivalent of .

Claimant is reporting these product(s)

Does BLM's lease records concur with claimant's? YES NO

Please complete and return:

BLM LEASE NO.	TYPE *	SCH. B	NET ACRES	UNIT ACRES OR LEASE	LEASE INTEREST	ROYALTY RATE	DECIMAL EQUIVALENT
<u>OK NM</u>							
<u>-28183</u>	<u>2</u>	<u>—</u>	<u>90.970</u>	<u>639.96</u>	<u>0.14215</u>	<u>0.1250</u>	<u>0.0177686</u>
<u>-20396</u>	<u>2</u>	<u>—</u>	<u>31.870</u>	<u>639.96</u>	<u>0.0498</u>	<u>0.1250</u>	<u>0.006225</u>
<u>-43763</u>	<u>2</u>	<u>—</u>	<u>20.670</u>	<u>639.96</u>	<u>0.032299</u>	<u>0.1250</u>	<u>0.004037</u>
<u>-60798</u>	<u>2</u>	<u>—</u>	<u>2.040</u>	<u>639.96</u>	<u>0.003188</u>	<u>0.1250</u>	<u>0.00039846</u>
<u>TOTAL</u>	<u>2</u>	<u>—</u>	<u>145.550</u>	<u>639.96</u>	<u>0.227436</u>	<u>0.1250</u>	<u>0.0284295</u>

TOTAL 0.0284295

IF THIS LEASE DOES NOT EXIST ON YOUR RECORDS, PLEASE INITIAL HERE  
AND RETURN THIS FORM TO OUR OFFICE SO WE MAY ADJUST OUR RECORDS ACCORDINGLY.

Date: DEC. 17, 2007

By: Virgil Lee Pauli  
VIRGIL PAULI

\*Insert Applicable Exempt Code:

1. State School Land Commission
2. Federal
3. County
4. City
5. School District

6. Indian
7. Other
8. OTC Assigned (RETIRED-NOW PART TIME)
9. State

SENIOR TECHNICAL SPECIALIST  
MINERALS DIVISION

FORM: GPCL2 OK NM 20396



UNITED STATES DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
TULSA DISTRICT OFFICE  
9522-H EAST 47TH PLACE  
TULSA, OKLAHOMA 74145

IN REPLY REFER TO:  
SCR-197 (OKNM74635)  
3160 (043a)

MAY 21 1991

Memorandum

To: State Director (943C-3)  
Attention: Ms. Delores Vigil

From: District Manager (043a)

Subject: Last Production for Communitization Agreement SCR-197 (OKNM74635)  
Involving Federal Leases OK NM 20396 and OK NM 28183

Approval Date: November 25, 1981 Fixed Term Date: 2 years

Extended by Production

☒

Drilling

☐

Month and Day of Last Production: May 1990

Date Last Well on Lease Plugged: N/A

Remarks: Communitization Agreement SCR-197 (OKNM74635) expired on May 31, 1990. Subject Federal leases will remain in active status..

(ORIG. SGD.) VIRGIL L. PAULI

cc:

MMS, Chief, Ref. Data Branch II, MS-3240  
NM (943C-1, M. Rivera)  
NM (047, S. Aycock)  
NM (042, B. McClure)  
NM (042, J. Elkins)  
NM (047, D. Pylant)  
Last Production File

043a:KRobinson:5-20-91:x6446:ops\74635.Ter

OK NM 20396  
OK NM 28183



IN REPLY REFER TO:  
SCR-197 et al.  
(OKNM74635) (GC)  
3105 (043a)

MAY 21 1991

Bristol Resources Corporation  
Attention: Operations Superintendent  
6655 South Lewis, Suite 200  
Tulsa, OK 74136

Gentlemen:

Communitization Agreement SCR-197 (OKNM74635) was approved on November 25, 1981, with Andover Oil Company as designated operator. It communitized Federal Leases OK NM 20396 and OK NM 28183 with other leases in a well-spacing unit of 623.38 acres described as all of sec. 1, T. 10 N., R. 8 W., Canadian County, Oklahoma.

The agreement was to remain in effect for a period of 2 years from the effective date of March 1, 1981, and so long thereafter as natural gas was produced in paying quantities from the communitized area.

Last production from the unit well, No. 1 Straka, was in May 1990, and abandonment operations were begun on April 13, 1991. In the absence of future drilling plans, and consistent with production requirements, please be advised that Communitization Agreement SCR-197 (OKNM74635) expired on May 31, 1990.

You are relieved from filing Form 3160-6, Monthly Report of Operations, for this agreement. Please notify all interested parties of this expiration.

Sincerely,

(ORIG. SGD.) VIRGIL L. PAULI

Virgil L. Pauli  
Chief, Branch of Fluid Operations

cc:

NM (943B) Note: Federal Leases OK NM 20396 and OK NM 28183 are participating in other agreements.

NM (943C-1, M. Rivera)

MMS, Chief, Ref. Data Branch, MS-3240

NM (042, B. McClure)

NM (042, S. Aycock)

NM (042, J. Elkins)

NM (047, D. Pylant)

NM (047, S. Wall)

Last production file

043a:KRobinson:5-20-91:x4664:ops\74635Exp.kr

OK NM 20396

OK NM 28183



Tulsa District Office  
6136 East 32nd Place  
Tulsa, Oklahoma 74135

3103 (041)

SEP 11 1985

Phillips Petroleum Co.  
Attention: Mr. Jim Henley  
9 B-1 Adams Building  
Bartlesville, OK 74004

Gentlemen:

This will confirm the exempt interests as shown on the records of this office that we discussed during our telephone conversation this date.

<u>BLM Lease No.</u>	<u>Sec. Twp-Rge</u>	<u>Royalty Rate</u>	<u>Acreage Participation</u>	<u>Mineral Interest</u>	<u>Tax Exempt Interest</u>
BLM-028506	31-1N-24ECM 6-1S-24ECM	0.125	6.10 86.10	full	0.008856
NM-28183	35-11N-8W	0.125	90.97 633.96	full	0.017937
NM-20396	35-11N-8W	0.125	31.87 633.96	full	0.006284
NM-43763	35-11N-8W	Sch. "B"	20.67 633.96	full	0.004076* *for 0.125 royalty rate
NM-29015	4-10N-7W	0.125	29.51 643.27	full	0.005734

Competitive lease No. NM-43763 is subject to Schedule "B" step-scale royalty. A copy of Schedule "B" from the lease contract is enclosed. Please note that the tax exempt interest will increase as oil production exceeds 50 barrels per well per day and/or gas production exceeds 5,000,000 cubic feet per well per day.



In support of figures shown above we are enclosing copy of communitization agreement cards for the three communitized areas involved and a copy of our lease record card for each of the five leases.

Sincerely,

(ORIG. SGD.) F. L. STELZER  
FOR

District Manager

Enclosure

cc:

Gary Johnson, MMS

NM(943B) (IE)

Central File: 3103

Chrony

041:FLStelzer:sj:9/12/85:x7631:WANGID:1046D



UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
NEW MEXICO STATE OFFICE



# NOTICE

THESE DOCUMENTS HAVE BEEN MICROFILMED BY BLM

Do not attach unfiled or unapproved documents  
beneath this notice. Forward all unfiled  
documents and this case file to Micrographics,  
Room 312, (943B1) before filing.

DO NOT REMOVE THIS NOTICE FROM CASE FILE!!!!!!!



Tulsa District Office  
6136 East 32nd Place  
Tulsa, Oklahoma 74135

JAN 17 1984

3100(043a)  
NM-43763(OK)  
et al.

Memorandum

To: Chief, Mineral Leasing Unit No. 1 NM(943c-1)

From: Assistant District Manager for Minerals, Tulsa, OK

Subject: First Production for Federal Lease NM-43763 and Communitization No. C40T073, Embracing Sec. 35, T. 11 N., R. 8 W., I. M., Canadian County, Oklahoma

Date Well Spudded: August 21, 1981

Date of Completion: March 17, 1982 Field: Union City

Lessee or Operator/Well Name/Number: Phillips Petroleum Company, No. 1 Kuykendall "A"

Location: 1520' FSL and 1320' FWL of NE/4 sec. 35, T. 11 N., R. 8 W., I. M., Canadian County, OK (Allocated)

Total Depth and Surface Elevation: TD: 12,940' Elev.: 1281' GL

Producing Formation: (Commingle) Viola, perforated 12,380' to 12,454', Mississippi, perforated 11,443' to 11,478' and 11,529' to 11,555', and Hunton, perforated 12,112' to 12,116'.

Initial Daily Production: Flowed 900 MCFCG, 15 BC, 33 BLW

Well Capable of Production in Paying Quantities? Yes

Status: Producing gas well

Remarks: Com. Agr. C40T073, approved January 3, 1984, effective July 27, 1982, communitizes all natural gas and associated liquid hydrocarbons producible from the Oswego, Prue, Skinner, Osborne, Mississippi Line, Hunton, Cherokee (Red Fork) and Viola Formations, underlying the 633.96 acre communitized area. Federal lease NM-43763(OK), involved in this agreement, becomes productive by allocation. Federal leases NM-26183(OK) and NM-20396(OK), also involved in this agreement, are already in producing status.

cc:

RMP, Denver, CO  
(1) Conv. Clk.  
(1) Agree. & Class. (2) Carto. Tech. (3) Discard  
C. A. File: C40T073  
First Prod. Memo File  
Chrony(2) 1. Operations 2. Central

Tulsa "Hold" Copy  
Lease Files: NM-28183(OK)  
NM-43763(OK)  
NM-20396(OK)  
ORA: 9-329 File

043a:JQuery:pk:1/16/84:x7631:0705A



Tulsa District Office  
6136 East 32nd Place  
Tulsa, Oklahoma 74135

Collins  
for Steen  
1-3-84  
JHE  
1-3-84

3105.2(043b-6)  
NM-28183(OK)  
et al.

JAN 03 1984

Petroleum Land Consultants  
Attention: Mr. Pete Godfrey  
Suite 320  
5400 NW Grand Boulevard  
Oklahoma City, OK 73112

Gentlemen:

Enclosed is an approved copy of Communitization Agreement C40T073, involving 90.97 net acres in Federal lease NM-28183(OK), 31.87 net acres in Federal lease NM-20396(OK), 20.67 net acres in Federal lease NM-43763(OK), 2.04 net acres of unleased Federal land and 488.41 acres of fee land to form an 633.96 acre gas spacing unit described as all of sec. 35, T. 11 N., R. 8 W., I. M., Canadian County, Oklahoma. You submitted this agreement for Phillips Petroleum Company, the designated operator of the communitized area.

This agreement communitizes all rights as to natural gas and associated liquid hydrocarbons producible from the Oswego, Prue, Skinner, Osborne, Mississippi lime, Hunton, Cherokee(Red Fork) and Viola Formations, and is effective as of July 27, 1982. The unit well is Phillips Petroleum Company No. 1 Kuykendall "A", located S/2S/2N/2NE/4 sec. 35, T. 11 N., R. 8 W., I. M., Canadian County, Oklahoma, and was completed March 17, 1982. According to Petroleum Land Consultants, the first sale of production was on July 28, 1982. The well was perforated in the Viola 12,380 to 12,454 feet in the Mississippi 11,443 to 11,555 feet, and in the Hunton Formation 12,116 to 12,152 feet for an initial production (commingled) of 900 MCDFGPD, 15 BCPD and 33 BLWPD.

It is noted that one copy of the official State completion report (OCC Form 1002A) is attached to each copy of the agreement you submitted. Also, please furnish this office one copy of all electric logs or other down-hole surveys and one copy of the back-pressure test run on the unit well.

You are requested to furnish all interested parties with appropriate evidence of this approval.

Sincerely yours,

(Orig. Sgd.) RAYMOND W. VINYARD

Assistant District Manager  
for Minerals

Enclosure(1)

cc:

NMSO(943c-1) w/encl.

ORA(047) w/encl.

RMP, Lease Adm, NMS, Denver w/encl.

Lease File: NM-28183(OK)

Com. Agr. File - C40T073

NM-20396(OK)

Chrony(2) 1. Agree. & Class. 2. Central

NM-43763(OK)

043b-6:CWSteen:pk:1/3/84:x7677:0468A



Steen  
9-29-83  
JRC

Tulsa District Office  
6136 East 32nd Place  
Tulsa, Oklahoma 74135

3100 (043b-6)  
NM-28183 (OK)  
et al.

SEP 30 1983

Petroleum Land Consultants  
Attention: Mr. Pete Godfrey  
Suite 320  
5400 N.W. Grand Boulevard  
Oklahoma City, OK 73112

Gentlemen:

By letter dated June 24, 1983, you submitted five copies of a proposed Communitization Agreement covering all of sec. 35., T. 11 N., R. 8 W., I.M., Canadian County, Oklahoma, to Minerals Management Service, Albuquerque, New Mexico. You were informed by our letter of July 18, 1983, of our reorganization and that Tulsa District, Bureau of Land Management is the proper office for submittal of your agreement for final approval.

The above mentioned agreement was returned to your for corrections and additions. To date, we have not received your agreement for approval. Please forward the agreement or explain the long delay.

Questions concerning this agreement should be directed to C. W. Steen of this office, at telephone (918) 581-7677.

Your cooperation is appreciated.

Sincerely yours,

(Orig. Sgd.) RAYMOND W. VINYARD

Assistant District Manager  
for Minerals

cc:

Lease File: NM-28183(OK), NM-20396(OK), NM-43763(OK)

Pending C.A. File-return to Hayes

Chronies (2)

1. Agr. & Class. Sec.
2. Central

043b-6:CWSteen:bmh:9/29/83:x7677



Steve  
7/18/83  
John  
7-18-83

Tulsa District Office  
6136 East 32nd Place  
Tulsa, Oklahoma 74135

3100(043c-6)  
NM-28183(OK)  
et al.

July 18, 1983

Petroleum Land Consultants  
Attention: Pete Godfrey  
Suite 320  
5400 N.W. Grand Boulevard  
Oklahoma City, OK 73112

Gentlemen:

This is to acknowledge receipt of five copies of a proposed communitization agreement covering all of sec. 35, T. 11 N., R. 8 W., I. M., Canadian County, Oklahoma, which you submitted to Minerals Management Service, Albuquerque, NM, by your letter dated June 24, 1983. We have since been reorganized and we are now the Bureau of Land Management. Your agreements will be processed by this office.

We are unable to reconcile the acreage shown in Exhibit "B" of the agreement with your plat.

Tract No. 4 (NM-28183) under Exhibit "B" shows 93.01 net acres, however, the oil and gas lease instrument indicates 93.31 acres (Lot 1 - 29.75 acres, Lot 2 - 11.58 acres, Lot 3 - 39.34 acres and Lot 4 - 12.64 acres). Tract No. 5 (NM-20396) is shown as 31.87 acres and the accretion and riparian rights to lots 1, 2, 3 and 4 by the oil and gas lease instrument is 69.22 acres (to Lot 1 - 37.99 acres, Lot 2 - 23.24 acres, Lot 3 - 2.44 acres and Lot 4 - 5.55 acres), and Tract No. 6 (NM-43763) is shown as 20.67 acres described as that portion of the accretion and riparian acreage to Lot 1, secs. 34 and 35. The oil and gas lease instrument indicates 23.91 acres total. Perhaps this small difference is explained by the acreage lying in sec. 34. We are unable to verify this from your plat attached.

It will be necessary that you attach a survey plat certified by a registered Surveyor or Engineer, and it must show his seal, to each copy of your agreement so that the acreage shown in your Exhibit "B" can be verified.

We are returning your five copies of your proposed agreement with this letter for this addition.

Your cooperation is appreciated.

Sincerely yours,

(Orig. Sgd.) RAYMOND W. VINYARD

Acting Assistant District Manager  
for Minerals

Enclosures (5)



cc:

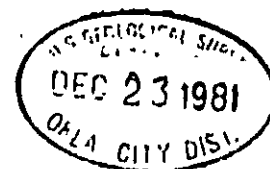
Lease Files: NM-28183(OK)  
                  NM-20396(OK)  
                  NM-43763(OK)

Pend. Agr. File - Return to Hayes  
Chrony (2)  
  Agree. & Class.  
  Central

043c-6:CWSteen:pk:7/18/83:x7631



6136 East 32nd Place  
Tulsa, Oklahoma 74135



December 22, 1981

Memorandum

To: Chief, Review and Analysis Office, Tulsa  
From: District Oil and Gas Supervisor, Tulsa District  
Subject: First production for Communitization Agreement SCR 197, including Federal leases NM-20396 and NM-28183, located in sec. 1, T. 10 N., R. 8 W., I. M., Canadian County, Oklahoma

Date Spudded: March 14, 1981  
Date of Completion: August 30, 1981 Field: Union City

Operator: Andover Oil Company

Well Name/Number: No. 1-1 Straka

Location: NW 1/4 SE 1/4 NE 1/4 sec. 1, T. 10 N., R. 8 W., I. M., Canadian County, Oklahoma (Allocated)

Total Depth: TD: 13,035' Elevation: 1274' GR

Producing Formation: Skipner, Red Fork, Perforated: Skipner, 9992'-9996'  
Chester (Miss.), Red Fork, 10,160'-10,180'  
Mississippi Lime, Misener, Chester, 10,516'-10,836'  
and Hunton Mississippi Lm., 11,238'-11,574'  
Misener, 11,680'-11,702'  
Hunton, 11,704'-12,120'

Initial Daily Production: Commingled IPF 231 MCFGPD, 12 BOPD, no water

Well Capable of Production in Paying Quantities?: Yes

Status: The well is shut-in waiting on pipeline connection.

Remarks: Communitization Agreement SCR 197 was approved November 25, 1981, effective March 1, 1981, communitizes all rights as to natural gas and associated liquid hydrocarbons producible from the Hoxbar, Tonkawa, Oswego, Prue, Skinner, Red Fork, Mississippian, Simpson, Misener, Hunton, and Viola Formations underlying sec. 1.

(Orig. Sgd.) E. A. SCHMIDT

*F. L. Stelzer*  
F. L. Stelzer

CC: DLM, Santa Fe, New Mexico  
Oklahoma City Subdistrict  
First Prod. Memo  
Com. Agr. File: SCR-197  
Lease Files: NM-20396  
-28183  
Tech. - Pylant  
HHH:ll:mv



South Central Region  
P. O. Box 26124  
Albuquerque, New Mexico 87125

NOV 25 1981

Musser and Bunch  
Attention: Stephanie Thomas  
400 Oil and Gas Building  
Oklahoma City, Oklahoma 73102



Gentlemen:

Enclosed is an approved copy of Communitization Agreement No. SCT-197, involving 67.98 acres of land in Federal leases NM-20396(OK) and NM-28183(OK) and 555.4 acres of fee land, Canadian and Grady Counties, Oklahoma, comprising a 623.38-acre well spacing unit.

The agreement communitizes all rights as to natural gas and associated hydrocarbons producible from the Hoxbar, Tonkawa, Oswego, Prue, Skinner, Red Fork, Mississippian, Misener-Hunton, Viola and Simpson formations in section 1, T. 10 N., R. 8 W., I.M., and is effective March 1, 1981.

You are requested to furnish all interested principals with appropriate evidence of this approval.

Sincerely yours,

(ORIG. SGD.) JOE G. LARA

FOR Gene F. Daniel  
Deputy Conservation Manager  
Oil and Gas

Enclosure

cc:  
BLM, Santa Fe (w/encl)  
Tulsa District (w/encl)

*Lease sheets noted  
12-9-81  
bjm*

*Postal Book  
of Curlew HH*



1-10N-8W

6136 East 32nd Place  
Tulsa, Oklahoma 74135

December 31, 1980

Musser, Bunch and Gist  
Attention: Ms. Stephanie D. Thomas  
400 Oil and Gas Building  
Main and Robinson  
Oklahoma City, Oklahoma 73102

NOTED  
JAN 5 1980  
BOYD



Gentlemen:

Subject: Proposed communitization agreement for sec. 1, T. 10 N., R. 8 W.,  
I. M., Canadian and Grady Counties, Oklahoma, affecting Federal  
Leases NM-20396 (Okla.) and NM-28183 (Okla.)

We have examined the proposed communitization agreement, submitted with your letter dated December 19, 1980, and it appears to be acceptable as to form. One copy of the agreement is returned with this letter; we are keeping the other copy for our files.

Please be certain that the effective date of the agreement is prior to all production, including test production.

Since unleased acreage is included under this agreement, it will be necessary to attach copies of the adjudication order resulting from Cause CD No. 72959.

After the agreement has been executed, at least four copies should be submitted to this office, with at least one of these copies containing original acknowledged or witnessed signatures (Notary Public or one witness). Reproductions of signatures are acceptable for the other three copies, but you will receive one of these three upon approval, so you should submit duplicate originals if you wish to receive an approved original for recording or any other purpose. If you desire more than one approved original or copy, increase the number submitted for approval accordingly. If execution is by an agent, attorney-in-fact, or other representative, authority to act for the principal is necessary and should be attached to the agreement. The signature of a corporate officer should show title and bear proper attestation and the



corporate seal. All exhibits cited should be attached to each copy of the agreement submitted for final approval.

Sincerely yours,

(Orig. Sgd.) F. L. STELZER

F. L. Stelzer  
Acting District Oil and Gas Supervisor

Enclosure

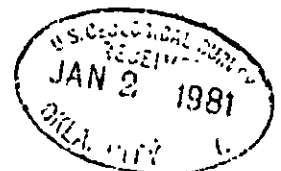
cc: DCM, O&G, SCR, Albuquerque, N. M.

Oklahoma City Subdistrict

Lease Files: NM-20396 (Okla.)  
NM-28183 (Okla.)

Pend. Agr. File - Return to Hill

HHHill:geb





UNITED STATES DEPARTMENT OF THE INTERIOR CENTRAL FILES  
BUREAU OF LAND MANAGEMENT

## INSPECTION RECORD - DRILLING

Case Number OKNM20396	State OK	Field Office OKLAHOMA FIELD OFFICE - OKC	Field Area UNKNOWN	<input type="checkbox"/> Detailed <input checked="" type="checkbox"/> Non-Detailed
Well Name HINES FEDERAL			Well Number 1H-0235X	
API No 350512411700X1	Location Qtr/Qtr/Lot/Tract, S-T-R (Lat/Long) SWSE 2 10N 8W (35 36394800, 98 01570400)		Spud Date 4-25-2015	Status AAPD
Operator/Representative CIMAREX ENERGY COMPANY			Rig/Contractor/Representative H & P RIG 496	

INSP TYPE	ACT CODE	INSPECTOR	OPEN DATE	CLOSED DATE	OFFICE TIME	TRAVEL TIME	INSPECT. TIME	TRIPS
DW	HS	SHUMARD	4-25-17	5-3-17	2.3	2.2	1.6	2
DW	SD	SHUMARD	4-25-17	5-3-17	1.8	2.2	1.3	2
DW	NT	SHUMARD	4-25-17	5-3-17	3.9	...	1.9	2

## GENERAL

	INSPECTED	NA	VIOLATION
1 Is approved drilling permit and plan on location?	✓		
2 Is drill site properly identified?	✓		
3 Are operations being conducted in a workmanlike manner? (Detailed list in handbook)	✓		
4 Did Operator report all spills?	✓	✓	
5 Are drill-stem tests conducted as required?		✓	
6 Is hole deviation within approved tolerances?	✓	✗	

## SURFACE USE

7 Is surface use in accordance with approved plans?	✓		
a Well site lay-out,	✓		
b Pits, sumps, and other ancillary facilities,	✓		
c Containment and Disposal of solid, liquid, and gaseous wastes,	✓		
d Failure to implement dust control,	✓		
e Failure to obtain prior approval for additional surface disturbances		✓	

## BLOWOUT PREVENTER AND ASSOCIATED EQUIPMENT

8 Is BOP pressure rating and arrangement at least that approved? Rating			
9 Are choke lines and manifold, kill lines, and fill lines properly installed and operable?			
10 Are Master controls installed and functional?			
a Remote control on floor?			
b Hand wheels or autolock?(Circle appropriate item)			
c Valve installed in closing line of annular preventer?			
11 Is pressure accumulator system adequate to activate BOP? psi rating			
Fluid volume			

REVIEWED COPIES OF TESTS PERFORMED BY BOP RAMS



BLOWOUT PREVENTER AND ASSOCIATED EQUIPMENT (CONTINUED)		INSPECTED	NA	VIOLATION
a Nitrogen precharge pressure? Date last checked _____			<input checked="" type="checkbox"/>	
b Will reservoir hold two times the usable fluid volume? <u>122</u>			<input checked="" type="checkbox"/>	
c Is power available and turned on to the accumulator pumps?			<input checked="" type="checkbox"/>	
12 Are ram-type preventers tested to stack working pressure if isolated by test plug or 70 percent of internal yield pressure of casing if BOP stack is not isolated from casing? _____ psi test pressure				
13 Are annular-type preventers tested to 50 percent of working pressure? <u>3500</u> psi DATE RECORDED _____				
14 Are BOPE tests run and recorded in driller's log? _____ psi				
a When initially installed?				
b Whenever a seal subject to test pressure is broken?				
c Following related repairs?				
d 30-day intervals?				
15 Are BOP drills conducted weekly and recorded in driller's log? Time _____				
16 Is annular preventer activated weekly and recorded in driller's log?				
17 Are pipe rams activated each trip and recorded in driller's log?				
18 Are blind rams activated each trip and recorded in driller's log?				
19 Is the slow pump speed recorded each tour?				
20 Are drill string safety valves and/or inside BOP valves readily available?				
21 Is upper kelly cock installed? Is lower kelly cock installed? Are appropriate kelly cock wrenches available?				
a BOPE shall be installed, used, maintained, and tested in a manner necessary to assure well control and shall be in place prior to drilling the surface casing shoe				
CASING AND CEMENT				
22 Was casing run in accordance with approved APD? Size <u>13 3/8</u> Weight <u>54.5</u> Grade <u>J55</u> Depth <u>1509</u> <u>New</u> Used		<input checked="" type="checkbox"/>		
23 When setting surface casing, did cement circulate to surface? If not, was remedial action taken?		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
a Centralizers used as required? <u>Yes</u> No Number <u>14</u>		<input checked="" type="checkbox"/>		
24 When setting casing, was cement job conducted as approved? (Circle applicable type) <u>Surface</u> Intermediate Production Liner		<input checked="" type="checkbox"/>		
25 Were all casing strings pressure tested prior to drill out? _____ psi?		<input checked="" type="checkbox"/>		
a Was remedial action taken if test indicated need? Action _____				
b. Were all pressure tests recorded in driller's log? Date recorded _____		<input checked="" type="checkbox"/>		
26 Were all waiting on cement(WOC) times adequate to achieve a minimum of 500 psi compressive strength at the shoe?		<input checked="" type="checkbox"/>		
27 Are casing shoe pressure integrity tests (mud weight equivalency test) performed and recorded in log? Date Recorded <u>4-27-11</u> Mud Weight <u>10.1</u> Depth <u>1508</u> Pressure _____		<input checked="" type="checkbox"/>		
28 All indications of usable water reported to the authorized officer?			<input checked="" type="checkbox"/>	
29 Are wiper plugs used as required?		<input checked="" type="checkbox"/>		
MUD PROGRAM				
30 Is mud system in accordance with approved APD?		<input checked="" type="checkbox"/>		
31 Are appropriate quantities of mud on hand? <u>Plenty of LCM on hand</u>		<input checked="" type="checkbox"/>		
32 Is mud monitoring equipment in accordance with approved APD?		<input checked="" type="checkbox"/>		
a Electronic/Mechanical mud monitoring equipment alarms set and turned on?		<input checked="" type="checkbox"/>		
33 Is gas detection equipment installed and operating as per APD?		<input checked="" type="checkbox"/>		
34 Are acceptable well control practices being followed while tripping?		<input checked="" type="checkbox"/>		
35 Are tourly mud tests (weight & viscosity) recorded in the driller's log?		<input checked="" type="checkbox"/>		
36 Was flare system installed?			<input checked="" type="checkbox"/>	



SPECIAL OPERATIONS-AIR/GAS DRILLING	INSPECTED	NA	VIOLATION
37 Is rotating head in operating condition?		↑	
38 Is the blooie line installed and the pilot light and igniter installed and operating as per APD?			
39 Is deduster equipment installed?			
40 Is mud circulation equipment available for rapid use (including mud, reserve pits, and steel tanks)?			
41 Are engines equipped with spark arresters or water cooled exhaust?		✓	
<b>HYDROGEN SULFIDE OPERATIONS</b> <b>(500' above or 3 days prior to expected H2S)</b>			
42 Are the H2S Drilling Operations Plan and Public Protection Plan, if required, available at the wellsite?		↑	
43 Are the locations of safe briefing areas as approved, are they designated, and is safe access provided to them?			
44 Is a secondary means of egress available and passable?			
45 Is required safety equipment for essential personnel available and operable?			
a Portable H2S and SO2 detectors?			
b Self-contained breathing apparatus?			
c Explosion proof ventilation fans?			
d Other equipment as approved in drilling operations plan?			
46 Are initial and weekly training and H2S/well control drills held and recorded on the driller's log?			
47 Is permanent H2S detection and monitoring equipment installed, tested, operable?			
a Are location of sensing points as approved?			
b Are H2S detector/monitor tests recorded on driller's log?			
48 Is the wind direction equipment installed and visible?			
49 Are the caution/danger signs legible, visible and posted a safe distance from the location?			
50 Are the warning flags, flare gun and flares available?			
51 Is the equipment H2S trimmed as required?			
52 Is remote kill line installed and tested?			
53 Is the flare system designed to safely gather and burn H2S?			
a Is the flare system equipped with a safe and suitable means of ignition?			
b Is the flareline mouth at least 150' from wellbore?			
c If noncombustible gas is to be flared, is supplemental fuel available?			
54 Are the mud-gas separator, degassers, and rotating head installed and operational (exploratory wells only)?			
55 Is the remote controlled choke installed, tested, and operable?			
56 Is the pH of freshwater mud 10.0 or above unless otherwise approved?		✓	
a Are sufficient quantities of mud additives to scavenge H2S available at the well site (exploratory wells only)?			
<b>OTHER</b>			
57 Other special requirements per approved APD and lease terms			
58 Description of operations witnessed			

## HIGH PRIORITY INSPECTION REMARKS

SUNDRY(APDCH) Cimarex Energy Co. respectfully requests changes to the original drilling plan and Rig Approved Cactus 164 Proposed Helmerich and Payne 496 Please see the attached documents Please find additional justification below for the BOPE change as well as an updated schematic attached 1 BOPE Requirement below Intermediate Approved 10M System Based on 13.5 ppg MW or 0.702 psi/ft at a 11,952 TVD and equivalent BHP 8390 psi Using a reduction of pressure to surface of 0.22 psi/ft the required surface equipment must be greater than 5,760 psi Requested Change 5M System The 13.5 ppg MW that is used in this area is needed for hole stability issues that are related more to rock matrix integrity and not to the actual pore pressure in the area Pore pressure in the Woodford or in the lateral target zone in the area (within the 9 section) has been estimated at a range of 0.58 - 0.63 psi/ft using the flowback method Using the high end of that range at 0.63 psi/ft and subtracting the 0.22 psi/ft gradient reduction would require a BOPE system greater than 4900 psi A 5M BOPE system would satisfy this requirement The table below lists required MW at various points in the wellbore Depth Inclination Required MW Drill out of Intermediate Casing 10,674 0 deg 12.1 ppg KOP 11,389 0 deg 12.1 ppg Mid Curve 11,800 49 6 deg 12.5 ppg Landing Point 12,671 90 deg 13.5 ppg TD 22,071 90 deg 13.5 ppg Required MW shown above that are in excess of the predicted pore pressure gradient of 0.63 psi/ft (12.1 ppg equivalent) are just for hole stability due to the increased inclination Cimarex has previously drilled a vertical pilot hole on an offset well approx 3 mi to the northeast The pilot was drilled through the proposed target interval into the Hunton and utilized a 10.5 ppg MW with no issues



4-26 TRAVEL TO RIG FOR INSPECTION, RIG HAD ELECTRICAL ISSUES, BROKE DOWN @ T80,  
WILL RETURN TOMORROW WHEN RIG IS OPERATIONAL

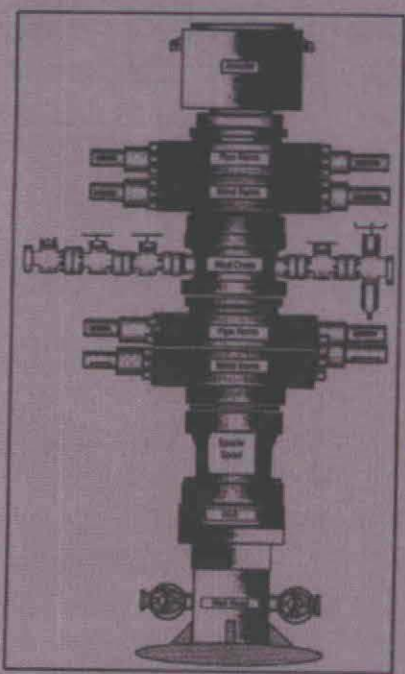
4-27 RUNNING GASING AT TIME OF INSPECTION, RIGGING UP TO PUMP  
CEMENT, LOCATION IN GOOD SHAPE, MET WITH MR. TOM BIERIG,  
COMPANY REP FOR H+P, WILL E-MAIL ME CEMENT REPORTS  
AND BOT TESTS FOR REVIEW



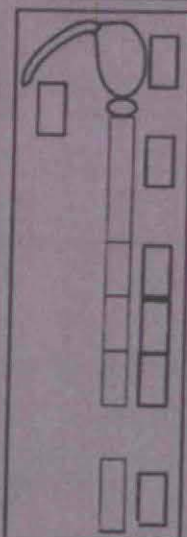
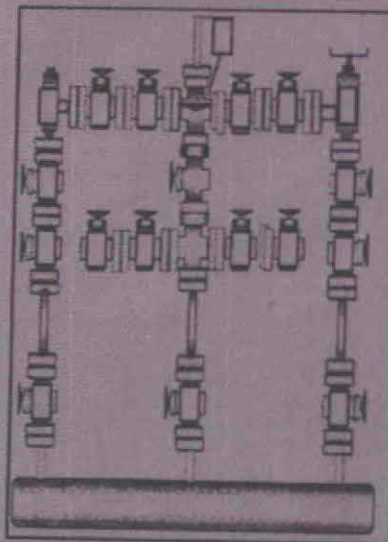


# **B.O.P. Ram-Block & Iron Rentals, Inc.**

Company Cummins Lease Hess Federal 114-0435  
 Rig No. H&P 496 Country/Parish Grady  
 Test Date 4-22-17 Company Phone # \_\_\_\_\_



Test Sequence	Low Test		High Test		Remarks
	PSI	Duration	PSI	Duration	
#1	250	10 min	10,000	10 min	First manifold
#2					middle manifold
#3					subsea manifold
#4					Superchiller #1
#5					Lower pumps
#6					Upper pumps #1
#7					Upper pumps #2
#8					Upper pumps #3
#9					Upper pumps #4
#10			3500		Annular
#11			5000		T.F.W.
#12			5000		DACT
#13			5000		manual T.F.W.
#14			6500		Standpipe
#15			1500	30 min	Casing
#16			10,000	10 min	Holburn 1
#17			10,000	10 min	Holburn 2
#18					
#19					
#20					
#21					



BOP Size and Working Pressure 13" 10,000 PSI  
 Manifold Size & Working Pressure 4" 10,000 PSI  
 Wellhead Size and Type 13" 10,000 PSI  
 Drilpipe Connection 4" T.F.W.  
 Test Medium MUSTER  
 Unit Operator John J. J. J.  
 Charts Received by \_\_\_\_\_  
 Company Representative \_\_\_\_\_



## Certificate of Conformity

ContiTech

Certificate Number 909697-2	COM Order Reference 909697	Customer Name & Address HELMERICH & PAYNE DRILLING CO 1434 SOUTH BOULDER AVE TULSA, OK 74119 USA
Customer Purchase Order No: 740025880		
Project: HOW		
Test Center Address ContiTech Oil & Marine Corp. 11535 Brittmoore Park Drive Houston, TX 77041 USA	Accepted by COM Inspection Signed Roger Suarez Date 11/28/16	Accepted by Client Inspection

We certify that the items detailed below meet the requirements of the customer's Purchase Order referenced above, and are in conformance with the specifications given below

Item	Part No.	Description	Qty	Serial Number	ContiTech Standard
130		RECERTIFICATION - 3" ID 10K Choke and Kill Hose x 35 ft OAL	1	54514	ContiTech Standard
150		RECERTIFICATION - 3" ID 10K Choke and Kill Hose x 35 ft OAL	1	54479	ContiTech Standard



# Hose Inspection Report

ContiTech Oil & Marine

Customer	Customer Reference #	CBC Reference #	CBC Inspector	Date of Inspection
H&P Drilling	740025386	COM909697	A. Jaimes	11/03/2016

Hose Manufacturer	Contitech Rubber Industrial
-------------------	-----------------------------

Hose Serial #	54479	Date of Manufacture	01/2009
Hose I.D.	3"	Working Pressure	10000PSI
Hose Type	Choke and Kill	Test Pressure	15000PSI
Manufacturing Standard	API 16C		

Connections	
End A: 4.1/16" 10Kpsi API Spec 6A Type 6BX Flange	End B: 4.1/16" 10Kpsi API Spec 6A Type 6BX Flange
• No damage	• No damage
Material: Carbon Steel	Material: Carbon Steel
Seal Face: BX155	Seal Face: BX155
Length Before Hydro Test: 35'	Length After Hydro test: 35'

**Conclusion:** Hose #54479 passed the exterior inspection with no notable damages to the hose armor. Internal borescope of the hose showed no damage to the hose liner. Hose #54479 passed the hydrostatic pressure test by holding a pressure of 15,000PSI for 60 minutes. Hose #54479 is suitable for continued service.

**Recommendations:** In general the hose should be inspected on a regular on-going basis. The frequency and degree of the inspection should as a minimum follow these guidelines:

Visual inspection: Every 3 months (or during installation/removal)  
 Annual: In-situ pressure test  
 Initial 5 years service: Major inspection  
 2nd Major inspection: 8 / 10 years of service  
 (Detailed description of test regime available upon request, ISS-059 Rev 04)

**\*\*NOTE:** There are a number of critical elements in the hose that cannot be thoroughly checked through standard inspection techniques. Away from dissecting the hose body, the best way to evaluate the condition of the hose is through review of the operating conditions recorded during the hose service life, in particular maximums and peak conditions.

Issued By: Alejandro Jaimes  
 Date: 11/23/2016

Checked By: Jeremy Mckay  
 Date: 11/23/2016

Page 1 of 1  
 QF97



JOB# 200666787  
 PBC# 96467  
 HOSE DESCRIPTION: 2 10K 110007 1000000  
 TEST PRESSURE: 1500000  
 CHART RECORDER #: 24448  
 CHART SETTING: 1000000  
 CBC REPRESENTATIVE: 1000000  
 DATE: 11.22.11



## Accumulator Function Test - OO & GO#2

### To Check - USABLE FLUID IN THE NITROGEN BOTTLES (III.A.2.c.i or ii or iii)

- Make sure all rams and annular are open and if applicable HCR is closed.
  - Ensure accumulator is pumped up to working pressure!! (Shut off all pumps)
1. Open HCR Valve. (If applicable)
  2. Close annular.
  3. Close all pipe rams.
  4. Open one set of the pipe rams to simulate closing the blind ram.
  5. For 3 ram stacks, open the annular to achieve the 50±% safety factor (5M and greater systems.)
  6. Record remaining pressure 1200 psi. Test fails if pressure is lower than required
    - a. (950 psi for a 1500 psi system) b. (1200 psi for a 2000 and 3000 psi system)
  7. If annular is closed, open it at this time and close HCR.

### To Check - PRECHARGE ON BOTTLE OR SPHERICAL (III.A.2.d.)

- Start with manifold pressure at, or above, maximum acceptable pre-charge pressure:
    - a. (800 psi for a 1500 psi system) b. (1100 psi for 2000 and 3000 psi system)
1. Open bleed line to the tank, slowly. (gauge needle will drop at the lowest bottle pressure)
  2. Close bleed line. Barely bump electric pump and see what pressure the needle jumps to.
  3. Record pressure drop 950 psi. Test fails if pressure drops below minimum.
    - Minimum: a. (700 psi for a 1500 psi system) b. (900 psi for a 2000 and 3000 psi system)

### To Check - THE CAPACITY OF THE ACCUMULATOR PUMPS (III.A.2.f)

- Isolate the accumulator bottles or spherical from the pumps and manifold.
  - Open the bleed off valve to the tank, (manifold psi should go to 0 psi) close bleed valve.
1. Open the HCR valve, (if applicable)
  2. Close annular
  3. With pumps only, time how long it takes to regain the required manifold pressure.
  4. Record elapsed time 34.50 Test fails if it takes over 2 minutes.
    - a. (950 psi for a 1500 psi system) b. (1200 psi for a 2000 and 3000 psi system)

Accumulator working pressure rating	Minimum acceptable operating pressure	Desired precharge pressure	Maximum acceptable precharge pressure	Minimum acceptable precharge pressure
1,500 psi	1,500 psi	750 psi	800 psi	700 psi
2,000 psi	2,000 psi	1,000 psi	1,100 psi	900 psi
3,000 psi	3,000 psi	1,000 psi	1,100 psi	900 psi

Usable Fluid = 1/2 of bottle volume. (11 gal = 5.5 gal) (10 gal = 5 gal) (80 gal sphere = 40 gal)

Reservoir cap: Height            x Length            x Width            x 0.004329 = 0.00 Gal





RIG #

496

ACCUMULATOR MAKE & MODEL : \_\_\_\_\_

AXON MA168-11SB3X

ACCUMULATOR S/N & ASSET : \_\_\_\_\_

41-6505/550-4897

TECHNICIAN NAME & COMPANY :

Todd Love / Brian Kitchel

ORIGINAL ISSUE SENT TO FIX : \_\_\_\_\_ Precharge

PARTS USED ( INCLUDING PART # ) :

ANY OTHER ISSUES NOTICED ON THE UNIT WHILE ON LOCATION:

Checked lights in driller and control panels, cleaned strainers, and checked pressure on all bottles. All pressures were at 1000 psi

NOTE: ATTACH THE NITROGEN PRE-CHARGE SHEET TO THIS SHEET  
EMAIL THESE SPREADSHEETS TO PHILP HEBB & MICAH BRADLEY AFTER FINISHING THE JOB  
PHILP.HEBB@HPIDC.COM / MICAH.BRADLEY@HPIDC.COM



## ACCUMULATOR FIELD INVENTORY SHEET



Date: 3/24/2017  
 Rig: 498  
 Asset#: 550-3857  
 S/N: 6379  
 Tech: Todd Love / Brian Kitch

### Accumulator (Closing Unit) Tag Information

MFG Tag Date: Jul-12  
 Manufacturer: Axon  
 Make/Model: TC200-11SB3  
 Control Panel Model/PN# (\*): 842001 (IF AVAILABLE FROM TAG)  
 Remote Panel Model/PN# (\*): 842006 (IF AVAILABLE FROM TAG)

### Reservoir Fluid

Main Tank Size: 350  
 Is there additional Reservoir?: NO

### Number of Tri-plex Pumps

Tri-plex Pump S/N: 1

### Air Pumps

Number of pumps: 3  
 Type/Model/PN#: GSF-60

### Number Of Bottles

Total Number Of Bottles on Accum.: 20  
 Is there a Nitrogen Backup System?: no  
 Total Number of Nitrogen Bottles on backup pack: 0

### System

Number of 4-Way Valves: 7  
 (Not including the bypass Valve)

### Accum. Bottles

950 1000 1000 1000 1000 1000 1000 900 1000 1000

900 950 1000 900 1000 950 950 1000 1000 1000

Accum. Back up pack bottles.



### Accumulator

MAKE = Axon  
MODEL # = DCI Type 80  
SIZE OF ACCUMULATOR = 3,000 psi  
# OF BOTTLES = 20  
CAPACITY OF BOTTLES = 6.7 gallons  
BLEED OFF TEST PRESSURE = 1200  
FUNCTION TEST PRESSURE = 3,000 psi  
RESERVOIR CAPACITY = 350 gallon

### GALLONS TO CLOSE BOP'S

23.58 = ANNULAR BOP

52.50 = (7.5 x 3) RAMS)

1 gal = H C R VALVE (OPEN)

77.08 = SUBTOTAL (Gallons to Close BOP's  
& Open H C R Valve)

x 3      Quick Calculation - Multiply  
Subtotal Above x 3.  
23.08 x 3 = 69.24

122 = TOTAL = 50% Safety Factor with  
1200 psi remaining on manifold for  
3000 psi Accumulator System

### 3 - Ram BOP Stack 5M - 10M - 15M

### Annular BOP

MAKE = NOV  
SIZE = 13 5/8" · 5,000 psi  
MODEL = Spherical

### RAM TYPE BOP

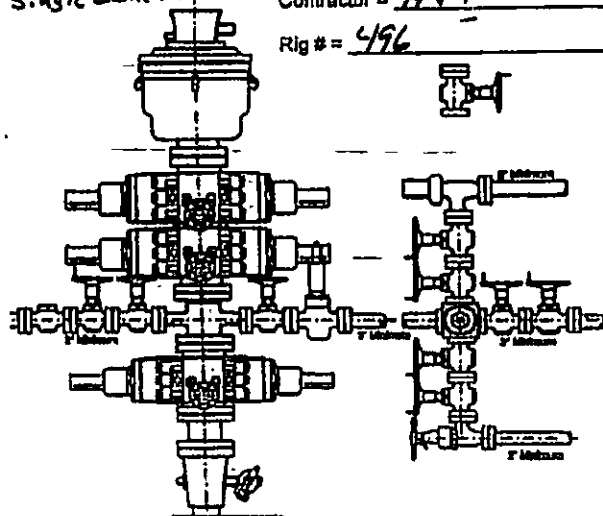
MAKE = Cameron  
SIZE = 13 5/8" · 10,000 PSI  
MODEL = UM Double Ram  
15 3/8" Single Cameron  
Um

Company = Cimacox  
Lease = Hines Ecdem 114-0835x  
Well = \_\_\_\_\_

### H C R VALVE

MAKE = Cameron  
SIZE = 4 1/2"  
MODEL = ELS

Contractor = H + P  
Rig # = 496





REQUIRED INFORMATION FROM OPERATOR AND SERVICE CREWS

Cimarex Energy Co.

Hines Federal 1H-0235X

BLM OKNM20396

SURFACE CASING

CASING 13 3/8" 54.50# J-55 BT&C (NEW)

Casing tally showing depths.

Total depth run 1509'

Float collar depth. 1423'

Shoe joint length. 83 65'

Centralizers 1 per/jt-first 3 joints, 1 per/3 jts to surface, total of 14

Cementing.

Hole Size and Depth: 17 5/1509'

Lead 227 BBL of lead cement (665 sacks)(15/85 POZ) +2% S001 +0.13 lb/sk D130 + 4% D020 @ 12.8 ppg with yield of 1.92, 10 626 gps mix water

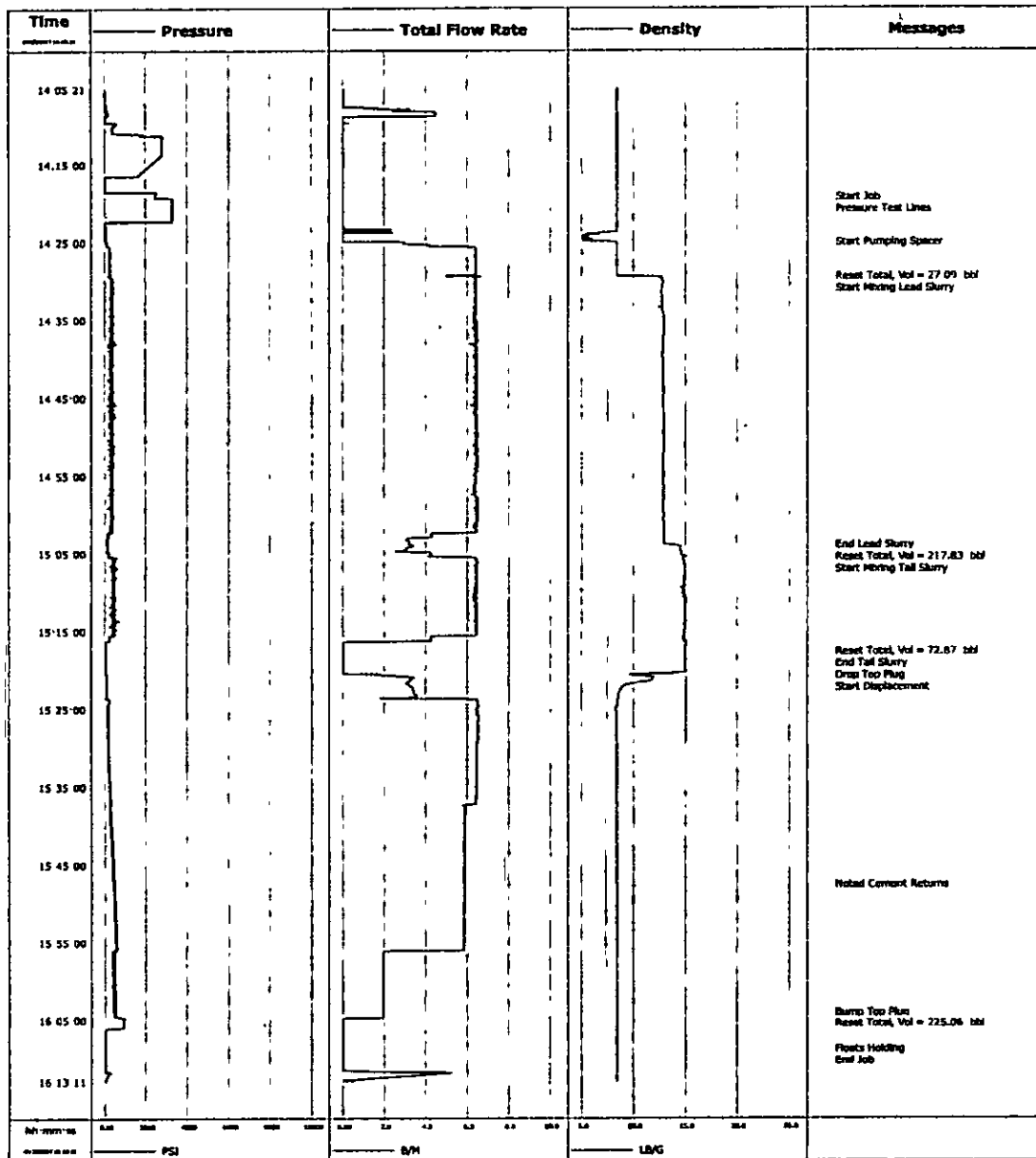
Tail 71 BBL of tail cement (295 sacks)(Class C) +0.13 lb/sk D130 +2% S001 @ 14.8 ppg with yield 1.35, 6.353 gps mix water.

Displacement Displaced 218 BBL of fresh water (8.3 ppg), bump plug to 500 PSI over, (400 psi to 900 psi) Check floats, Floats held 68 BBL of good cement to surface.

Wiper Plug. Weatherford CNPT 1314-A Top Plug



Well	Hines Federal	Client	Clamco
Field	N/A	SIR No.	2495240
Engineer	Randal Buben	Job Type	13 3/8 Surf
Country	United States	Job Date	04-27-2017





**HINES FEDERAL 1H-0235X**

Rig H&amp;P 496

Set @ 1,509

Set Date 04/25/2017

Running Order	Name	Length	Running Depth	Landed Top	Landed Bottom	MJ	C	Comments
FS	Gemoco Model k Standard BT&C Float Shoe	1 90	1 90	1,507 10	1,509 00			
1	13-3/8" 54.50# J-55 BT&C Casing	40 60	42 50	1,466 50	1,507 10		X	
2	13-3/8" 54 50# J-55 BT&C Casing	41.15	83 65	1,425 35	1,466 50		X	
FC	Gemoco Model k Standard BT&C Float Collar	1 50	85 15	1,423 85	1,425.35			
3	13-3/8" 54 50# J-55 BT&C Casing	41 13	126 28	1,382 72	1,423 85		X	
4	13-3/8" 54 50# J-55 BT&C Casing	40 58	166 86	1,342 14	1,382 72			
5	13-3/8" 54 50# J-55 BT&C Casing	41 10	207 96	1,301 04	1,342 14			
6	13-3/8" 54 50# J-55 BT&C Casing	41 11	249 07	1,259 93	1,301 04		X	
7	13-3/8" 54 50# J-55 BT&C Casing	41 11	290 18	1,218 82	1,259 93			
8	13-3/8" 54 50# J-55 BT&C Casing	40 60	330 78	1,178 22	1,218 82			
9	13-3/8" 54 50# J-55 BT&C Casing	41 12	371 90	1,137 10	1,178 22		X	
10	13-3/8" 54 50# J-55 BT&C Casing	41 11	413 01	1,095 99	1,137 10			
11	13-3/8" 54 50# J-55 BT&C Casing	40 74	453 75	1,055 25	1,095 99			
12	13-3/8" 54 50# J-55 BT&C Casing	41 10	494 85	1,014 15	1,055 25		X	
13	13-3/8" 54.50# J-55 BT&C Casing	41 11	535 96	973 04	1,014 15			
14	13-3/8" 54 50# J-55 BT&C Casing	41 12	577 08	931 92	973 04			
15	13-3/8" 54 50# J-55 BT&C Casing	40 14	617 22	891 78	931 92		X	
16	13-3/8" 54 50# J-55 BT&C Casing	41 12	658 34	850 66	891 78			
17	13-3/8" 54 50# J-55 BT&C Casing	41 11	699 45	809 55	850 66			
18	13-3/8" 54 50# J-55 BT&C Casing	41 12	740 57	768 43	809 55		X	
19	13-3/8" 54.50# J-55 BT&C Casing	41 12	781 69	727 31	768 43			
20	13-3/8" 54.50# J-55 BT&C Casing	40 66	822 35	686 65	727 31			
21	13-3/8" 54 50# J-55 BT&C Casing	40 61	862 96	646 04	686 65		X	
22	13-3/8" 54 50# J-55 BT&C Casing	41 12	904 08	604 92	646 04			
23	13-3/8" 54 50# J-55 BT&C Casing	41 10	945 18	563 82	604 92			
24	13-3/8" 54 50# J-55 BT&C Casing	40 15	985 33	523 67	563 82		X	
25	13-3/8" 54 50# J-55 BT&C Casing	40 12	1,025 45	483 55	523 67			
26	13-3/8" 54 50# J-55 BT&C Casing	40 66	1,066 11	442 89	483 55			
27	13-3/8" 54 50# J-55 BT&C Casing	41 10	1,107 21	401 79	442 89		X	
28	13-3/8" 54 50# J-55 BT&C Casing	40 97	1,148 18	360 82	401 79			
29	13-3/8" 54 50# J-55 BT&C Casing	39 96	1,188 14	320 86	360 82			
30	13-3/8" 54 50# J-55 BT&C Casing	40 54	1,228 68	280 32	320 86		X	
31	13-3/8" 54 50# J-55 BT&C Casing	41 12	1,269 80	239 20	280 32			
32	13-3/8" 54 50# J-55 BT&C Casing	40 60	1,310 40	198 60	239 20			
33	13-3/8" 54 50# J-55 BT&C Casing	39 92	1,350 32	158 68	198 60		X	
34	13-3/8" 54 50# J-55 BT&C Casing	41 13	1,391 45	117 55	158 68			
35	13-3/8" 54.50# J-55 BT&C Casing	41 12	1,432 57	76 43	117 55			
36	13-3/8" 54.50# J-55 BT&C Casing	41 11	1,473 68	35 32	76 43		X	
37	13-3/8" 54 50# J-55 BT&C Casing	41 07	1,514 75	-5 75	35 32			
38	13-3/8" 54 50# J-55 BT&C Casing	41 11	1,555 86	-46 86	-5 75			
39	13-3/8" 54 50# J-55 BT&C Casing	41 10	1,596 96	-87 96	-46 86			
40	13-3/8" 54 50# J-55 BT&C Casing	41 11	1,638 07	-129 07	-87 96			





Shumard, Kenneth &lt;kshumard@blm.gov&gt;

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**Fwd: Hines Federal 1H-0235X - Additional Wording for Sundry Approval**1 message

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**Franks, James** <jfranks@blm.gov>

Tue, Apr 25, 2017 at 8.08 AM

To: Kenneth Shumard &lt;kshumard@blm.gov&gt;

Information on the sundnes

*James Franks  
Petroleum Engineering Tech  
Oklahoma Field Office  
201 Stephenson Parkway STE 1200  
Norman, Ok 73072  
Office-405- 579-7155  
Cell- 405-818-3287  
E-mail. jfrank@blm.gov*

----- Forwarded message -----

From: **Fernandez, Edward** <efernand@blm.gov>

Date: Mon, Apr 24, 2017 at 4.44 PM

Subject: Re: Hines Federal 1H-0235X - Additional Wording for Sundry Approval

To: Brad Cantrell &lt;BCantrell@cimarex.com&gt;

Cc: James Franks <jfranks@blm.gov>

See attached approval

*Edward G Fernandez* -----  
Petroleum Engineer  
Bureau Of Land Management  
Oklahoma Field Office  
201 Stephenson Parkway, Ste 1200  
Norman, OK 73072  
Ph: 405-579-7134

On Mon, Apr 24, 2017 at 4:08 PM, Brad Cantrell &lt;BCantrell@cimarex.com&gt; wrote:

• | Ed,



Please find additional justification below for the BOPE change as well as an updated schematic attached.

# 1. BOPE Requirement below Intermediate

Approved.

10M System Based on 13.5 ppg MW or 0.702 psi/ft at a 11,952' TVD and equivalent BHP 8390 psi. Using a reduction of pressure to surface of 0.22 psi/ft the required surface equipment must be greater than 5,760 psi.

Requested Change:

5M System

The 13.5 ppg MW that is used in this area is needed for hole stability issues that are related more to rock matrix integrity and not to the actual pore pressure in the area. Pore pressure in the Woodford or in the lateral target zone in the area (within the 9 section) has been estimated at a range of 0.58 – 0.63 psi/ft using the flowback method. Using the high end of that range at 0.63 psi/ft and subtracting the 0.22 psi/ft gradient reduction would require a BOPE system greater than 4900 psi. A 5M BOPE system would satisfy this requirement.

The table below lists required MW at various points in the wellbore:

	Depth	Inclination	Required MW
Drill out of Intermediate Casing	10,674	0 deg	12.1 ppg
KOP	11,389	0 deg	12.1 ppg
Mid Curve	11,800	49.6 deg	12.5 ppg
Landing Point	12,671	90 deg	13.5 ppg
TD	22,071	90 deg	13.5 ppg

Required MW shown above that are in excess of the predicted pore pressure gradient of 0.63 psi/ft (12.1 ppg equivalent) are just for hole stability due to the increased inclination. Cimarex has previously drilled a vertical pilot hole on an offset well approx 3 mi to the northeast. The pilot was drilled through the



proposed target interval into the Hunton and utilized a 10.5 ppg MW with no issues.

**BRAD** CANTRELL, P.E.

DRILLING & COMPLETION ENGINEER

Cimarex Energy

*direct* 918-560-7055

*mobile* 918-640-3615

[bcantrell@cimarex.com](mailto:bcantrell@cimarex.com)



**Sundry dated 04-24-2017 Hines Federal 1H 3505124117.pdf**

364K



UNITED STATES DEPARTMENT OF THE INTERIOR **CENTRAL FILES**  
BUREAU OF LAND MANAGEMENT

**INSPECTION RECORD - DRILLING**

Case Number OKNM20396	State OK	Field Office OKLAHOMA FIELD OFFICE - OKC	Field Area UNKNOWN	<input type="checkbox"/> Detailed <input checked="" type="checkbox"/> Non-Detailed
Well Name HINES FEDERAL			Well Number 1H-0235X	
API No 350512411700X1	Location Qtr/Qtr/Lot/Tract, S-T-R (Lat/Long) SWSE 2 10N 8W (35 36394800, 98 01570400)		Spud Date 4-25-2015	Status AAPD
Operator/Representative CIMAREX ENERGY COMPANY			Rig/Contractor/Representative H & P R10496	

INSP. TYPE	ACT CODE	INSPECTOR	OPEN DATE	CLOSED DATE	OFFICE TIME	TRAVEL TIME	INSPECT TIME	TRIPS
DW	HS	SHUMARD	4-25-17	5-3-17	2.3	2.2	1.6	2
DW	SD	SHUMARD	4-25-17	5-3-17	1.8	2.2	1.3	2
DW	NT	SHUMARD	4-25-17	5-3-17	3.9	...	1.9	2

GENERAL	INSPECTED	NA	VIOLATION
1 Is approved drilling permit and plan on location?	✓		
2 Is drill site properly identified?	✓		
3 Are operations being conducted in a workmanlike manner? (Detailed list in handbook)	✓		
4 Did Operator report all spills?	✓	✓	
5 Are drill-stem tests conducted as required?		✓	
6 Is hole deviation within approved tolerances?	✓	✓	

SURFACE USE	INSPECTED	NA	VIOLATION
7 Is surface use in accordance with approved plans?	✓		
a Well site lay-out,	✓		
b Pits, sumps, and other ancillary facilities,	✓		
c Containment and Disposal of solid, liquid, and gaseous wastes,	✓		
d Failure to implement dust control,	✓		
e Failure to obtain prior approval for additional surface disturbances		✓	

BLOWOUT PREVENTER AND ASSOCIATED EQUIPMENT	INSPECTED	NA	VIOLATION
Not installed at time of inspection			
8 Is BOP pressure rating and arrangement at least that approved? Rating _____			
9 Are choke lines and manifold, kill lines, and fill lines properly installed and operable?			
10 Are Master controls installed and functional?			
a Remote control on floor?			
b Hand wheels or autolock?(Circle appropriate item)			
c Valve installed in closing line of annular preventer?			
11 Is pressure accumulator system adequate to activate BOP? psi rating _____ Fluid volume _____			

RELIEVED COPIES OF TESTS PERFORMED BY BOP RAMS



BLOWOUT PREVENTER AND ASSOCIATED EQUIPMENT (CONTINUED)		INSPECTED	NA	VIOLATION
a Nitrogen precharge pressure? Date last checked _____				
b Will reservoir hold two times the usable fluid volume? <u>122</u>				
c Is power available and turned on to the accumulator pumps?				
12 Are ram-type preventers tested to stack working pressure if isolated by test plug or 70 percent of internal yield pressure of casing if BOP stack is not isolated from casing? _____ psi test pressure				
13 Are annular-type preventers tested to 50 percent of working pressure? <u>3500</u> psi DATE RECORDED _____				
14 Are BOPE tests run and recorded in driller's log? _____ psi				
a When initially installed?				
b Whenever a seal subject to test pressure is broken?				
c Following related repairs?				
d 30-day intervals?				
15 Are BOP drills conducted weekly and recorded in driller's log? Time _____				
16 Is annular preventer activated weekly and recorded in driller's log?				
17 Are pipe rams activated each trip and recorded in driller's log?				
18 Are blind rams activated each trip and recorded in driller's log?				
19 Is the slow pump speed recorded each tour?				
20 Are drill string safety valves and/or inside BOP valves readily available?				
21 Is upper kelly cock installed? Is lower kelly cock installed? Are appropriate kelly cock wrenches available?				
a BOPE shall be installed, used, maintained, and tested in a manner necessary to assure well control and shall be in place prior to drilling the surface casing shoe				
<b>CASING AND CEMENT</b>				
22 Was casing run in accordance with approved APD? Size <u>13 3/8</u> Weight <u>54.5</u> Grade <u>J55</u> Depth <u>1509</u> <u>New</u> Used				
23 When setting surface casing, did cement circulate to surface? If not, was remedial action taken? a Centralizers used as required? <u>(Yes)</u> No Number <u>14</u>				
24 When setting casing, was cement job conducted as approved? (Circle applicable type) <u>(Surface)</u> Intermediate Production Liner				
25 Were all casing strings pressure tested prior to drill out? _____ psi? a Was remedial action taken if test indicated need? Action _____ b Were all pressure tests recorded in driller's log? Date recorded _____				
26 Were all waiting on cement(WOC) times adequate to achieve a minimum of 500 psi compressive strength at the shoe?				
27 Are casing shoe pressure integrity tests (mud weight equivalency test) performed and recorded in log? Date Recorded <u>4-21-11</u> Mud Weight <u>10.1</u> Depth <u>1508</u> Pressure _____				
28 All indications of usable water reported to the authorized officer?				
29 Are wiper plugs used as required?				
<b>MUD PROGRAM</b>				
30 Is mud system in accordance with approved APD?				
31 Are appropriate quantities of mud on hand? <u>Plenty of LCM on hand</u>				
32 Is mud monitoring equipment in accordance with approved APD? a Electronic/Mechanical mud monitoring equipment alarms set and turned on?				
33 Is gas detection equipment installed and operating as per APD?				
34 Are acceptable well control practices being followed while tripping?				
35 Are tourly mud tests (weight & viscosity) recorded in the driller's log?				
36 Was flare system installed?				



SPECIAL OPERATIONS-AIR/GAS DRILLING	INSPECTED	NA	VIOLATION
37 Is rotating head in operating condition?		✓	
38 Is the blooie line installed and the pilot light and igniter installed and operating as per APD?			
39 Is deduster equipment installed?			
40 Is mud circulation equipment available for rapid use (including mud, reserve pits, and steel tanks)?			
41 Are engines equipped with spark arresters or water cooled exhaust?		✓	
<b>HYDROGEN SULFIDE OPERATIONS (500' above or 3 days prior to expected H2S)</b>			
42 Are the H2S Drilling Operations Plan and Public Protection Plan, if required, available at the wellsite?		✓	
43 Are the locations of safe briefing areas as approved, are they designated, and is safe access provided to them?			
44 Is a secondary means of egress available and passable?			
45 Is required safety equipment for essential personnel available and operable?			
a Portable H2S and SO2 detectors?			
b Self-contained breathing apparatus?			
c Explosion proof ventilation fans?			
d Other equipment as approved in drilling operations plan?			
46 Are initial and weekly training and H2S/well control drills held and recorded on the driller's log?			
47 Is permanent H2S detection and monitoring equipment installed, tested, operable?			
a Are location of sensing points as approved?			
b Are H2S detector/monitor tests recorded on driller's log?			
48 Is the wind direction equipment installed and visible?			
49 Are the caution/danger signs legible, visible, and posted a safe distance from the location?			
50 Are the warning flags, flare gun and flares available?			
51 Is the equipment H2S trimmed as required?			
52 Is remote kill line installed and tested?			
53 Is the flare system designed to safely gather and burn H2S?			
a Is the flare system equipped with a safe and suitable means of ignition?			
b Is the flareline mouth at least 150' from wellbore?			
c If noncombustible gas is to be flared, is supplemental fuel available?			
54 Are the mud-gas separator, degassers, and rotating head installed and operational (exploratory wells only)?			
55 Is the remote controlled choke installed, tested, and operable?			
56 Is the pH of freshwater mud 10.0 or above unless otherwise approved?		✓	
a Are sufficient quantities of mud additives to scavenge H2S available at the well site (exploratory wells only)?			
<b>OTHER</b>			
57 Other special requirements per approved APD and lease terms			
58 Description of operations witnessed			

## HIGH PRIORITY INSPECTION REMARKS

SUNDRY(APDCH) Cimarex Energy Co. respectfully requests changes to the original drilling plan and Rig Approved Cactus 164 Proposed Helmerich and Payne 496 Please see the attached documents Please find additional justification below for the BOPE change as well as an updated schematic attached 1 BOPE Requirement below Intermediate Approved 10M System Based on 13.5 ppg MW or 0.702 psi/ft at a 11,952 TVD and equivalent BHP 8390 psi Using a reduction of pressure to surface of 0.22 psi/ft the required surface equipment must be greater than 5,760 psi Requested Change 5M System The 13.5 ppg MW that is used in this area is needed for hole stability issues that are related more to rock matrix integrity and not to the actual pore pressure in the area Pore pressure in the Woodford or in the lateral target zone in the area (within the 9 section) has been estimated at a range of 0.58 - 0.63 psi/ft using the flowback method Using the high end of that range at 0.63 psi/ft and subtracting the 0.22 psi/ft gradient reduction would require a BOPE system greater than 4900 psi A 5M BOPE system would satisfy this requirement The table below lists required MW at various points in the wellbore Depth Inclination Required MW Drill out of Intermediate Casing 10,674 0 deg 12.1 ppg KOP 11,389 0 deg 12.1 ppg Mid Curve 11,800 49.6 deg 12.5 ppg Landing Point 12,671 90 deg 13.5 ppg TD 22,071 90 deg 13.5 ppg Required MW shown above that are in excess of the predicted pore pressure gradient of 0.63 psi/ft (12.1 ppg equivalent) are just for hole stability due to the increased inclination Cimarex has previously drilled a vertical pilot hole on an offset well approx 3 mi to the northeast The pilot was drilled through the proposed target interval into the Hutton and utilized a 10.5 ppg MW with no issues



4-26 TRAVEL TO RIG FOR INSPECTION, RIG HAD ELECTRICAL ISSUES, BROKE DOWN @ T80,  
WILL RETURN TOMORROW WHEN RIG IS OPERATIONAL

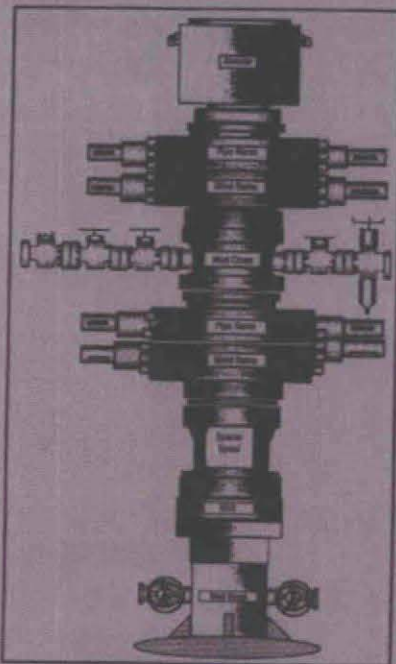
4-27 RUNNING GASING AT TIME OF INSPECTION, RIGGING UP TO PUMP  
CEMENT, LOCATION IN GOOD SHAPE, MET WITH MR. TOM BIERIG,  
COMPANY REP FOR H+P, WILL E-MAIL ME CEMENT REPORTS  
AND BOT TESTS FOR REVIEW



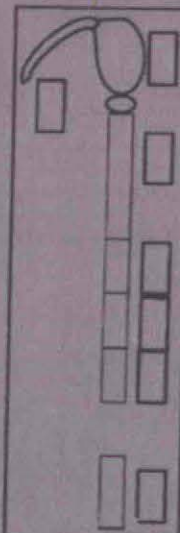
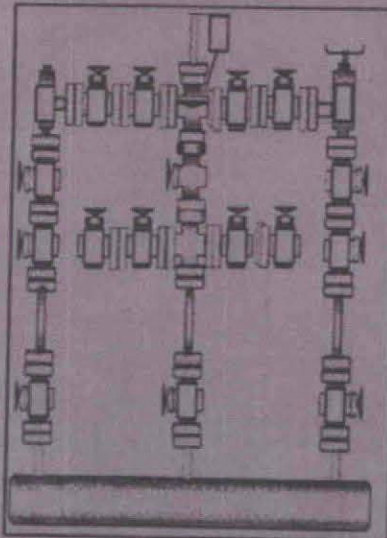


# **B.O.P. Ram-Block & Iron Rentals, Inc.**

Company Cinacry Lease Hwy Federal 114-0215  
 Rig No. HAP 496 Country/Parish Grady  
 Test Date 11-22-17 Company Phone # \_\_\_\_\_



Test Sequence	Low Test		High Test		Remarks
	PSI	Duration	PSI	Duration	
#1	250	10 min	10,000	10 min	Initial manifold
#2					middle manifold
#3					surface manifold
#4					Superior #1
#5					Lower #2
#6					Upper #2
#7					Upper #2
#8					Upper #2
#9			3500		Annular
#10			5000		TCL
#11			5000		Dart
#12			5000		Manual 1-2
#13			5000		Standpipe
#14			5500		9" mud pump
#15			1500	30 min	Casing
#16			10,000	10 min	Halliburton 1
#17			10,000	10 min	Halliburton 2
#18					
#19					
#20					
#21					



BOP Size and Working Pressure 13" 10,000 PSI  
 Manifold Size and Working Pressure 4" 10,000 PSI  
 Wellhead Size and Type 13" 0  
 Drilpipe Connection 1 1/2" RF  
 Test Medium water  
 Unit Operator John J. J. J.  
 Charts Received by \_\_\_\_\_  
 Company Representative \_\_\_\_\_



# Certificate of Conformity

ContiTech

<b>Certificate Number</b> 909697-2	<b>COM Order Reference</b> 909697	<b>Customer Name &amp; Address</b> HELMERICH & PAYNE DRILLING CO 1434 SOUTH BOULDER AVE TULSA, OK 74119 USA	
<b>Customer Purchase Order No:</b> 740025880			
<b>Project:</b> HOW			
<b>Test Center Address</b> ContiTech Oil & Marine Corp 11535 Brittmoore Park Drive Houston, TX 77041 USA	<b>Accepted by COM Inspection</b> Signed: Roger Suarez Date: 11/28/16	<b>Accepted by Client Inspection</b>	

We certify that the items detailed below meet the requirements of the customer's Purchase Order referenced above, and are in conformance with the specifications given below.

Item	Part No.	Description	Qty	Serial Number	Inspection
130		RECERTIFICATION - 3" ID 10K Choke and Kill Hose x 35 ft OAL	1	54514	ContiTech Standard
150		RECERTIFICATION - 3" ID 10K Choke and Kill Hose x 35 ft OAL	1	54479	ContiTech Standard



54479

JOB# 202400.707  
PBC# 964692  
HOSE DESCRIPTION. 2" 100' CROFT PNEUMATIC  
TEST PRESSURE. 1500 PSI  
CHART RECORDER # 24448  
CHART SETTING: 100 PSI  
CBC REPRESENTATIVE: J. J. J. J. J.  
DATE 11 12 16

ADON

10

9

8

115 9



## Accumulator Function Test - OO & GO#2

### To Check - USABLE FLUID IN THE NITROGEN BOTTLES (III.A.2.c.i or ii or iii)

- Make sure all rams and annular are open and if applicable HCR is closed.
  - Ensure accumulator is pumped up to working pressure!! (Shut off all pumps)
1. Open HCR Valve. (If applicable)
  2. Close annular.
  3. Close all pipe rams.
  4. Open one set of the pipe rams to simulate closing the blind ram.
  5. For 3 ram stacks, open the annular to achieve the 50% safety factor (5M and greater systems.)
  6. Record remaining pressure 1200 psi. Test fails if pressure is lower than required
    - a. (950 psi for a 1500 psi system) b. (1200 psi for a 2000 and 3000 psi system)
  7. If annular is closed, open it at this time and close HCR.

### To Check - PRECHARGE ON BOTTLE OR SPHERICAL (III.A.2.d.)

- Start with manifold pressure at, or above, maximum acceptable pre-charge pressure:
    - a. (800 psi for a 1500 psi system) b. (1100 psi for 2000 and 3000 psi system)
1. Open bleed line to the tank, slowly. (gauge needle will drop at the lowest bottle pressure)
  2. Close bleed line. Barely bump electric pump and see what pressure the needle jumps to.
  3. Record pressure drop 950 psi. Test fails if pressure drops below minimum.
    - Minimum: a. (700 psi for a 1500 psi system) b. (900 psi for a 2000 and 3000 psi system)

### To Check - THE CAPACITY OF THE ACCUMULATOR PUMPS (III.A.2.f)

- Isolate the accumulator bottles or spherical from the pumps and manifold.
  - Open the bleed off valve to the tank, (manifold psi should go to 0 psi) close bleed valve.
1. Open the HCR valve, (if applicable)
  2. Close annular
  3. With pumps only, time how long it takes to regain the required manifold pressure.
  4. Record elapsed time 3:50 Test fails if it takes over 2 minutes.
    - a. (950 psi for a 1500 psi system) b. (1200 psi for a 2000 and 3000 psi system)

Accumulator working pressure rating	Minimum acceptable operating pressure	Desired precharge pressure	Maximum acceptable precharge pressure	Minimum acceptable precharge pressure
1,500 psi	1,500 psi	750 psi	800 psi	700 psi
2,000 psi	2,000 psi	1,000 psi	1,100 psi	900 psi
3,000 psi	3,000 psi	1,000 psi	1,100 psi	900 psi

Usable Fluid = 1/2 of bottle volume. (11 gal = 5.5 gal) (10 gal = 5 gal) (80 gal sphere = 40 gal)  
 Reservoir cap: Height            x Length            x Width            x 0.004329 =            Gal





RIG #

496

ACCUMULATOR MAKE & MODEL : \_\_\_\_\_

AXON MA168-11SB3X

ACCUMULATOR S/N & ASSET : \_\_\_\_\_

41-6505/550-4897

TECHNICIAN NAME & COMPANY :

Todd Love / Brian Kitchel

ORIGINAL ISSUE SENT TO FIX : \_\_\_\_\_ Precharge

PARTS USED ( INCLUDING PART # ) :

ANY OTHER ISSUES NOTICED ON THE UNIT WHILE ON LOCATION:

Checked lights in driller and control panels, cleaned strainers, and checked pressure on all bottles. All pressures were at 1000 psi

NOTE: ATTACH THE NITROGEN PRE-CHARGE SHEET TO THIS SHEET  
EMAIL THESE SPREADSHEETS TO PHILP HEBB & MICAH BRADLEY AFTER FINISHING THE JOB.  
PHILP.HEBB@HPIDC.COM / MICAH.BRADLEY@HPIDC.COM



## ACCUMULATOR FIELD INVENTORY SHEET



Date: 3/24/2017  
 Rig: 496  
 Asset#: 550-3857  
 S/N: 6379  
 Tech: Todd Love / Brian Kitcher

### Accumulator (Closing Unit) Tag Information

MFG Tag Date: Jul-12  
 Manufacturer: Axon  
 Make/Model: TC200-11SB3  
 Control Panel Model/PN# (\*): 842001 (IF AVAILABLE FROM TAG)  
 Remote Panel Model/PN# (\*): 842006 (IF AVAILABLE FROM TAG)

### Reservoir Fluid

Main Tank Size: 350  
 Is there additional Reservoir?: NO

### Number of Tri-plex Pumps

Tri-plex Pump S/N: 1

### Air Pumps

Number of pumps: 3  
 Type/Model/PN#: GSF-60

### Number Of Bottles

Total Number Of Bottles on Accum.: 20  
 Is there a Nitrogen Backup System?: no  
 Total Number of Nitrogen Bottles on backup pack: 0

### System

Number of 4-Way Valves: 7  
 (Not including the bypass Valve)

### Accum. Bottles

950 1000 1000 1000 1000 1000 1000 900 1000 1000

900 950 1000 900 1000 950 950 1000 1000 1000

Accum. Back up pack bottles.



### Accumulator

MAKE = Axon  
MODEL # = DCI Type 80  
SIZE OF ACCUMULATOR = 3,000 psi  
# OF BOTTLES = 20  
CAPACITY OF BOTTLES = 6.7 gallons  
BLEED OFF TEST PRESSURE = 1200  
FUNCTION TEST PRESSURE = 3,000 psi  
RESERVOIR CAPACITY = 350 gallon

### GALLONS TO CLOSE BOP'S

23.58 = ANNULAR BOP  
+  
52.50 = (7.5 X 3) RAMS)  
+  
1 gal = H C R VALVE (OPEN)  
=  
77.08 = SUBTOTAL (Gallons to Close BOP's  
& Open H C R Valve)  
  
x 3      Quick Calculation - Multiply  
         Subtotal Above x 3.  
         77.08 x 3 = 231.24  
  
122 =      TOTAL = 50% Safety Factor with  
         1200 psi remaining on manifold for  
         3000 psi Accumulator System

### 3 - Ram BOP Stack 5M - 10M - 15M

#### Annular BOP

MAKE = NOV  
SIZE = 13 5/8" · 5,000 psi  
MODEL = Spherical

#### RAM TYPE BOP

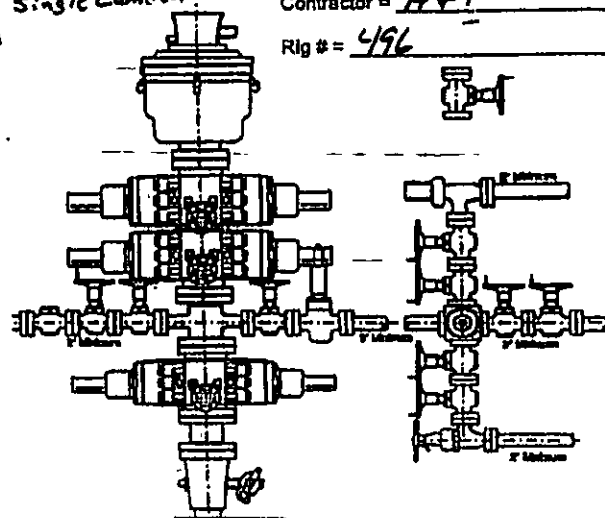
MAKE = Cameron  
SIZE = 13 5/8" · 10,000 PSI  
MODEL = UM Double Ram  
13 5/8" Single Cameron  
UM

Company = Cimarex  
Lease = Hines Federal LH-0855X  
Well = \_\_\_\_\_

#### H C R VALVE

MAKE = Cameron  
SIZE = 4 1/2"  
MODEL = FLS

Contractor = H + P  
Rig # = 496





REQUIRED INFORMATION FROM OPERATOR AND SERVICE CREWS

Cimarex Energy Co

Hines Federal 1H-0235X

BLM OKNM20396

SURFACE CASING

CASING. 13 3/8" 54.50# J-55 BT&C (NEW)

Casing tally showing depths

Total depth run: 1509'

Float collar depth 1423'

Shoe joint length 83.65'

Centralizers 1 per/jt-first 3 joints, 1 per/3 jts to surface, total of 14.

Cementing:

Hole Size and Depth: 17 5/1509'

Lead: 227 BBL of lead cement (665 sacks)(15/85 POZ) +2% S001 +0.13 lb/sk D130 + 4% D020 @ 12.8 ppg with yield of 1.92, 10 626 gps mix water

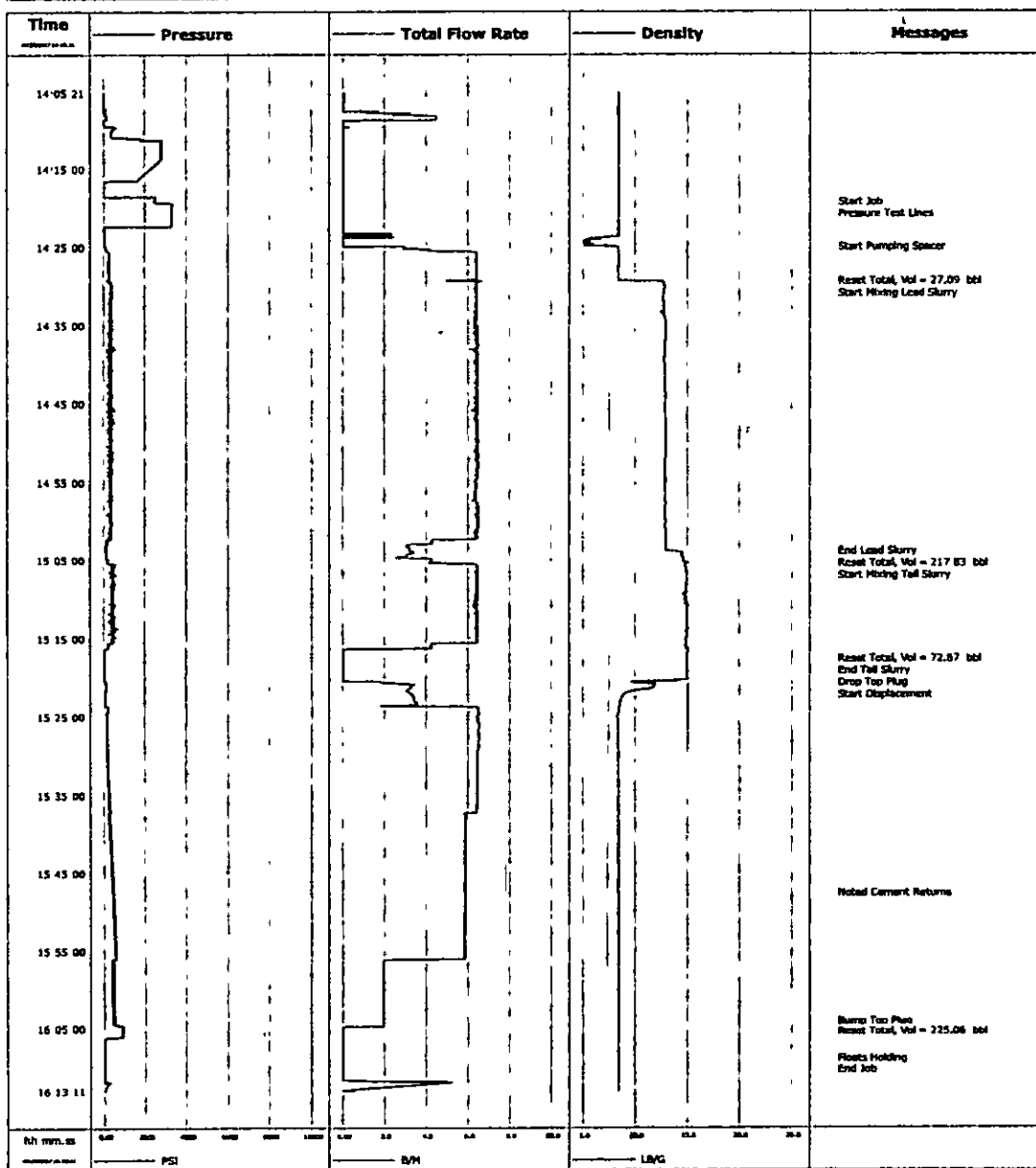
Tail: 71 BBL of tail cement (295 sacks)(Class C) +0.13 lb/sk D130 +2% S001 @ 14.8 ppg with yield 1.35, 6 353 gps mix water.

Displacement Displaced 218 BBL of fresh water (8.3 ppg), bump plug to 500 PSI over, (400 psi to 900 psi) Check floats, Floats held. 68 BBL of good cement to surface.

Wiper Plug: Weatherford CNPT 1314-A Top Plug



Well	Hines Federal	Client	Cimarex
Field	N/A	SIR No.	2495240
Engineer	Randal Buben	Job Type	13 3/8 Surf
Country	United States	Job Date	04-27-2017





**HINES FEDERAL 1H-0235X**

Rig H&amp;P 496

Set @ 1,509

Set Date 04/25/2017

Running Order	Name	Length	Running Depth	Landed Top	Landed Bottom	MJ	C	Comments
FS	Gemoco Model k Standard BT&C Float Shoe	1 90	1 90	1,507.10	1,509 00			
1	13-3/8" 54 50# J-55 BT&C Casing	40 60	42 50	1,466 50	1,507.10		X	
2	13-3/8" 54 50# J-55 BT&C Casing	41 15	83 65	1,425 35	1,466 50		X	
FC	Gemoco Model k Standard BT&C Float Collar	1 50	85 15	1,423 85	1,425 35			
3	13-3/8" 54 50# J-55 BT&C Casing	41 13	126 28	1,382 72	1,423 85		X	
4	13-3/8" 54 50# J-55 BT&C Casing	40 58	166 86	1,342 14	1,382 72			
5	13-3/8" 54 50# J-55 BT&C Casing	41 10	207 96	1,301 04	1,342 14			
6	13-3/8" 54.50# J-55 BT&C Casing	41 11	249 07	1,259 93	1,301.04		X	
7	13-3/8" 54 50# J-55 BT&C Casing	41 11	290 18	1,218 82	1,259 93			
8	13-3/8" 54 50# J-55 BT&C Casing	40 60	330 78	1,178.22	1,218 82			
9	13-3/8" 54 50# J-55 BT&C Casing	41 12	371 90	1,137 10	1,178 22		X	
10	13-3/8" 54.50# J-55 BT&C Casing	41 11	413 01	1,095 99	1,137 10			
11	13-3/8" 54.50# J-55 BT&C Casing	40 74	453 75	1,055 25	1,095 99			
12	13-3/8" 54 50# J-55 BT&C Casing	41 10	494 85	1,014 15	1,055 25		X	
13	13-3/8" 54 50# J-55 BT&C Casing	41 11	535 96	973 04	1,014.15			
14	13-3/8" 54 50# J-55 BT&C Casing	41 12	577 08	931.92	973 04			
15	13-3/8" 54 50# J-55 BT&C Casing	40 14	617 22	891 78	931 92		X	
16	13-3/8" 54 50# J-55 BT&C Casing	41 12	658 34	850 66	891 78			
17	13-3/8" 54 50# J-55 BT&C Casing	41 11	699 45	809 55	850 66			
18	13-3/8" 54 50# J-55 BT&C Casing	41 12	740 57	768 43	809 55		X	
19	13-3/8" 54 50# J-55 BT&C Casing	41 12	781 69	727 31	768.43			
20	13-3/8" 54.50# J-55 BT&C Casing	40 66	822 35	686 65	727 31			
21	13-3/8" 54 50# J-55 BT&C Casing	40 61	862 96	646 04	686 65		X	
22	13-3/8" 54 50# J-55 BT&C Casing	41 12	904 08	604 92	646 04			
23	13-3/8" 54 50# J-55 BT&C Casing	41 10	945 18	563 82	604 92			
24	13-3/8" 54 50# J-55 BT&C Casing	40 15	985 33	523 67	563 82		X	
25	13-3/8" 54 50# J-55 BT&C Casing	40 12	1,025 45	483 55	523 67			
26	13-3/8" 54 50# J-55 BT&C Casing	40 66	1,066 11	442 89	483.55			
27	13-3/8" 54 50# J-55 BT&C Casing	41 10	1,107 21	401 79	442 89		X	
28	13-3/8" 54 50# J-55 BT&C Casing	40 97	1,148 18	360.82	401.79			
29	13-3/8" 54 50# J-55 BT&C Casing	39 96	1,188 14	320 86	360 82			
30	13-3/8" 54 50# J-55 BT&C Casing	40 54	1,228 68	280.32	320 86		X	
31	13-3/8" 54 50# J-55 BT&C Casing	41 12	1,269.80	239 20	280 32			
32	13-3/8" 54 50# J-55 BT&C Casing	40 60	1,310 40	198 60	239 20			
33	13-3/8" 54.50# J-55 BT&C Casing	39 92	1,350.32	158 68	198 60		X	
34	13-3/8" 54 50# J-55 BT&C Casing	41 13	1,391 45	117 55	158 68			
35	13-3/8" 54 50# J-55 BT&C Casing	41 12	1,432 57	76 43	117 55			
36	13-3/8" 54 50# J-55 BT&C Casing	41 11	1,473 68	35 32	76 43		X	
37	13-3/8" 54 50# J-55 BT&C Casing	41 07	1,514 75	-5 75	35 32			
38	13-3/8" 54 50# J-55 BT&C Casing	41 11	1,555 86	-46 86	-5 75			
39	13-3/8" 54.50# J-55 BT&C Casing	41 10	1,596 96	-87 96	-46 86			
40	13-3/8" 54 50# J-55 BT&C Casing	41 11	1,638.07	-129 07	-87 96			





Shumard, Kenneth &lt;kshumard@blm.gov&gt;

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**Fwd: Hines Federal 1H-0235X - Additional Wording for Sundry Approval**

1 message

---

**Franks, James** <jfranks@blm.gov>

Tue, Apr 25, 2017 at 8:08 AM

To: Kenneth Shumard &lt;kshumard@blm.gov&gt;

Information on the sundries.

*James Franks*  
*Petroleum Engineering Tech*  
*Oklahoma Field Office*  
*201 Stephenson Parkway STE 1200*  
*Norman, Ok. 73072*  
*Office-405- 579-7155*  
*Cell- 405-818-3287*  
*E-mail: jfrank@blm.gov*

----- Forwarded message -----

From: **Fernandez, Edward** <efernand@blm.gov>

Date: Mon, Apr 24, 2017 at 4:44 PM

Subject: Re: Hines Federal 1H-0235X - Additional Wording for Sundry Approval

To: Brad Cantrell &lt;BCantrell@cimarex.com&gt;

Cc: James Franks <jfranks@blm.gov>

See attached approval

*Edward G. Fernandez*  
*Petroleum Engineer*  
*Bureau Of Land Management*  
*Oklahoma Field Office*  
*201 Stephenson Parkway, Ste. 1200*  
*Norman, OK 73072*  
*Ph: 405-579-7134*

On Mon, Apr 24, 2017 at 4:08 PM, Brad Cantrell &lt;BCantrell@cimarex.com&gt; wrote:

- Ed,



Please find additional justification below for the BOPE change as well as an updated schematic attached

# 1. BOPE Requirement below Intermediate

Approved: \_\_\_\_\_

10M System Based on 13.5 ppg MW or 0.702 psi/ft at a 11,952' TVD and equivalent BHP 8390 psi. Using a reduction of pressure to surface of 0.22 psi/ft the required surface equipment must be greater than 5,760 psi.

Requested Change \_\_\_\_\_

5M System.

The 13.5 ppg MW that is used in this area is needed for hole stability issues that are related more to rock matrix integrity and not to the actual pore pressure in the area. Pore pressure in the Woodford or in the lateral target zone in the area (within the 9 section) has been estimated at a range of 0.58 – 0.63 psi/ft using the flowback method. Using the high end of that range at 0.63 psi/ft and subtracting the 0.22 psi/ft gradient reduction would require a BOPE system greater than 4900 psi. A 5M BOPE system would satisfy this requirement.

The table below lists required MW at various points in the wellbore

	Depth	Inclination	Required MW
Drill out of Intermediate Casing	10,674	0 deg	12.1 ppg
KOP	11,389	0 deg	12.1 ppg
Mid Curve	11,800	49.6 deg	12.5 ppg
Landing Point	12,671	90 deg	13.5 ppg
TD	22,071	90 deg	13.5 ppg

Required MW shown above that are in excess of the predicted pore pressure gradient of 0.63 psi/ft (12.1 ppg equivalent) are just for hole stability due to the increased inclination. Cimarex has previously drilled a vertical pilot hole on an offset well approx. 3 mi to the northeast. The pilot was drilled through the



proposed target interval into the Hunton and utilized a 10.5 ppg MW with no issues

**BRAD CANTRELL, P.E.**

**DRILLING & COMPLETION ENGINEER**

Cimarex Energy

*direct* 918-560-7055

*mobile* 918-640-3615

bcantrell@cimarex.com

---

 **Sundry dated 04-24-2017 Hines Federal 1H 3505124117.pdf**  
364K



**BUREAU OF LAND MANAGEMENT  
CASE RECORDATION  
(LIVE) SERIAL REGISTER PAGE**

Run Date/Time: 02/02/18 09.07 AM

Page 1 of 3

**01 02-25-1920;041STAT0437;30USC181ETSEQ**  
**Case Type 311211: O&G LSE SIMO PUBLIC LAND**  
**Commodity 459: OIL & GAS**  
**Case Disposition: AUTHORIZED Case File Juris:**

**Total Acres**  
**398.050**

**Serial Number**  
**OKNM-- - 020396**

**Serial Number: OKNM-- - 020396**

Name & Address	Int Rel	%Interest
CHEVRON USA HOLDINGS INC 11111 S WILCREST HOUSTON TX 77099	OPERATING RIGHTS	0.000000000
CHEVRON USA INC 6301 DEAUVILLE MIDLAND TX 797062964	OPERATING RIGHTS	0 000000000
CIMAREX ENERGY CO 1700 LINCOLN ST STE 1800 DENVER CO 802034518	OPERATING RIGHTS	0 000000000
CIMAREX ENERGY CO 1700 LINCOLN ST STE 1800 DENVER CO 802034518	LESSEE	25 000000000
DEVON ENERGY PROD CO LP 333 W SHERIDAN AVE OKLAHOMA CITY OK 731025010	LESSEE	75.000000000
NEWFIELD EXPL MID-CONTN INC 110 W 7TH ST #1300 TULSA OK 74119	OPERATING RIGHTS	0 000000000
NORTEX CORP 1415 LOUISIANA #3100 HOUSTON TX 77002	OPERATING RIGHTS	0 000000000

**Serial Number: OKNM-- - 020396**

Mer Twp	Rng	Sec	SType	Nr. Suff	Subdivision	District/Resource Area	County	Mgmt Agency
17	0100N	0080W	001	FF	ACCR & RIPAR TO LOT 5;	OKLAHOMA FIELD OFFICE	CANADIAN	STATE LANDS
17	0100N	0080W	002	FF	ACCR & RIPAR TO LOTS 1-3,	OKLAHOMA FIELD OFFICE	CANADIAN	STATE LANDS
17	0110N	0080W	028	FF	ACCR & RIPAR TO LOTS 3,4;	OKLAHOMA FIELD OFFICE	CANADIAN	BUREAU OF LAND MGMT
17	0110N	0080W	028	FF	ACCR & RIPAR TO LOTS 3,4;	OKLAHOMA FIELD OFFICE	CANADIAN	CHEYENNE AND ARAPAHC
17	0110N	0080W	035	FF	ACCR & RIPAR TO LOTS 1-4,	OKLAHOMA FIELD OFFICE	CANADIAN	BUREAU OF LAND MGMT
17	0110N	0080W	035	FF	ACCR & RIPAR TO LOTS 1-4,	OKLAHOMA FIELD OFFICE	CANADIAN	CHEYENNE AND ARAPAHC

**Serial Number: OKNM-- - 020396**

Act Date	Code	Action	Action Remarks	Pending Office
12/25/1973	387	CASE ESTABLISHED	SPAR117,	
12/26/1973	888	DRAWING HELD		
03/22/1974	237	LEASE ISSUED		
04/01/1974	496	FUND CODE	05,145003	
04/01/1974	530	RLTY RATE - 12 1/2%		
04/01/1974	868	EFFECTIVE DATE		
02/16/1979	315	RENTAL RATE DET/ADJ	\$2 00,	
03/01/1981	246	LEASE COMMITTED TO CA	SCR197	
08/30/1981	660	MEMO OF 1ST PROD-ALLOC	/1/SCR197	
12/22/1981	643	PRODUCTION DETERMINATION	/1/FIRST	
12/28/1981	102	NOTICE SENT-PROD STATUS		
07/27/1982	246	LEASE COMMITTED TO CA	OKNM74733	
07/27/1982	501	REFERENCE NUMBER	CA-C40T073,	
07/27/1982	651	HELD BY PROD - ALLOCATED	OKNM74733	
07/27/1982	660	MEMO OF 1ST PROD-ALLOC	/2/OKNM74733	
10/05/1982	932	TRF OPER RGTS FILED		
11/08/1982	932	TRF OPER RGTS FILED		
12/22/1982	643	PRODUCTION DETERMINATION	/2/FIRST	
04/13/1983	933	TRF OPER RGTS APPROVED	EFF 11/01/83,	
04/13/1983	933	TRF OPER RGTS APPROVED	EFF 12/01/83;	
02/04/1986	140	ASGN FILED	MTS/MESA-TEXACO	
02/04/1986	932	TRF OPER RGTS FILED		
02/10/1986	932	TRF OPER RGTS FILED		
03/20/1986	140	ASGN FILED	MTS/MESA-TEXACO	

**NO WARRANTY IS MADE BY BLM  
FOR USE OF THE DATA FOR  
PURPOSES NOT INTENDED BY BLM**



**BUREAU OF LAND MANAGEMEN  
CASE RECORDATION  
(LIVE) SERIAL REGISTER PAGE**

Run Date/Time 02/02/18 09:07 AM

Page 2 of 3

03/20/1986	932	TRF OPER RGTS FILED	
03/25/1986	139	ASGN APPROVED	EFF 03/01/86;
03/25/1986	139	ASGN APPROVED	EFF 04/01/86,
03/25/1986	933	TRF OPER RGTS APPROVED	(1)EFF 03/01/86;
03/25/1986	933	TRF OPER RGTS APPROVED	(2)EFF 03/01/86,
03/25/1986	933	TRF OPER RGTS APPROVED	(3)EFF 03/01/86;
03/25/1986	933	TRF OPER RGTS APPROVED	(4)EFF 03/01/86;
03/27/1986	963	CASE MICROFILMED/SCANNED	CNUM 101,083 EPR
02/03/1987	932	TRF OPER RGTS FILED	
04/28/1988	933	TRF OPER RGTS APPROVED	(1)EFF 03/01/88;
04/28/1988	933	TRF OPER RGTS APPROVED	(2)EFF 03/01/88,
07/05/1988	974	AUTOMATED RECORD VERIF	PR/GO
05/01/1990	647	MEMO OF LAST PROD-ALLOC	/3/SCR197
05/21/1990	643	PRODUCTION DETERMINATION	/3/LAST
05/31/1990	522	CA TERMINATED	SCR197
03/20/1991	140	ASGN FILED	MESA/SEAGULL MIDCON
03/20/1991	932	TRF OPER RGTS FILED	MESA/SEAGULL MIDCON
05/10/1991	139	ASGN APPROVED	EFF 04/01/91;
05/10/1991	933	TRF OPER RGTS APPROVED	EFF 04/01/91;
05/10/1991	974	AUTOMATED RECORD VERIF	MRR/CG
09/17/1991	140	ASGN FILED	TEXACO/TEXACO EXPL
09/23/1991	932	TRF OPER RGTS FILED	TEXACO/TEXACO EXPL
12/05/1991	139	ASGN APPROVED	EFF 12/01/91,
12/05/1991	974	AUTOMATED RECORD VERIF	AR/JG
01/02/1992	933	TRF OPER RGTS APPROVED	EFF 10/01/91,
01/02/1992	974	AUTOMATED RECORD VERIF	BTM/JG
01/27/1992	932	TRF OPER RGTS FILED	TEXACO/NORTEX CORP
04/13/1992	933	TRF OPER RGTS APPROVED	EFF 02/01/91,
04/13/1992	974	AUTOMATED RECORD VERIF	TF/JS
09/16/1992	974	AUTOMATED RECORD VERIF	ST/JS
11/10/1998	817	MERGER RECOGNIZED	SEAGULL/SEAGULL E&P
04/23/1999	932	TRF OPER RGTS FILED	PHILLIPS/LARIAT
06/09/1999	933	TRF OPER RGTS APPROVED	EFF 05/01/99,
06/09/1999	974	AUTOMATED RECORD VERIF	ANN
03/01/2001	817	MERGER RECOGNIZED	LARIATPETRO/NEWFIELD
03/01/2001	974	AUTOMATED RECORD VERIF	AT
05/30/2002	140	ASGN FILED	TEXACO EXPL & PROD;1
05/30/2002	932	TRF OPER RGTS FILED	TEXACO EXPL & PROD,1
06/27/2002	139	ASGN APPROVED	EFF 06/01/02,
06/27/2002	933	TRF OPER RGTS APPROVED	EFF 06/01/02,
06/27/2002	974	AUTOMATED RECORD VERIF	JLV
09/09/2002	940	NAME CHANGE RECOGNIZED	SEAGULL/OCEAN ENE
08/14/2003	940	NAME CHANGE RECOGNIZED	OCEAN ENE/DEVON LA
03/08/2006	817	MERGER RECOGNIZED	DEVON LA/DEVON ENE
11/07/2006	940	NAME CHANGE RECOGNIZED	TEXACO EXPL/CHEVRON
12/06/2015	246	LEASE COMMITTED TO CA	OKNM136713;
12/07/2015	660	MEMO OF 1ST PROD-ALLOC	/4/OKNM136713;
03/16/2017	140	ASGN FILED	CHEVRON U/CIMAREX E,1
04/13/2017	139	ASGN APPROVED	EFF 04/01/17;
04/13/2017	974	AUTOMATED RECORD VERIF	RCC

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PURPOSES NOT INTENDED BY BLM



**BUREAU OF LAND MANAGEMEN  
CASE RECORDATION  
(LIVE) SERIAL REGISTER PAGE**

Run Date/Time 02/02/18 09:07 AM

Page 3 of 3

05/31/2017	932	TRF OPER RGTS FILED	CHEVRON U/CIMAREX E;1
06/28/2017	933	TRF OPER RGTS APPROVED	EFF 06/01/17,
06/28/2017	974	AUTOMATED RECORD VERIF	EMR
01/31/2018	643	PRODUCTION DETERMINATION	/4/

Line Nr      Remarks

Serial Number: OKNM-- - 020396



CASE ABSTRACT AS OF: 8/23/94  
02-25-1920:041STAT0437:30USC181ETSEQ CASE TYPE SERIAL NUMBER  
O&G LSE SIMO PUBLIC LAND 311211 OKNM 20396  
COMMODITY- OIL & GAS

-----  
NAME AND ADDRESS

SEAGULL MIDCOZZ INC	TEXACO EXPL&PROD INC
1001 FANNIN #1700	BOX 2100
HOUSTON TX 77002	DENVER CO 80201
LESSEE 75.00000 %	LESSEE 25.00000 %
TEXACO EXPL&PROD INC	NORTEX CORP
BOX 2100	1415 LOUISIANA #3100
DENVER CO 80201	HOUSTON TX 77002
OPERATING RIGHTS 0.00000 %	OPERATING RIGHTS 0.00000 %

-----  
DESCRIPTION OF LAND

INDIAN MER			
T. 10 N R. 8 W		CANADIAN COUNTY, OK	
		GRADY COUNTY, OK	
	TULSA DISTRICT OKLAHOMA	RESOURCE AREA	
SEC. 1:	L5 PLUS ACCR & RIPAR	BUREAU OF LAND MGMT	
		CANADIAN COUNTY, OK	
		GRADY COUNTY, OK	
SEC. 2:	L1,2 PLUS ACCR & RIPAR	BUREAU OF LAND MGMT	
T. 11 N R. 8 W		CANADIAN COUNTY, OK	
SEC. 28:	L3,4 PLUS ACCR & RIPAR	BUREAU OF LAND MGMT	
SEC. 35:	L1-4 PLUS ACCR & RIPAR	BUREAU OF LAND MGMT	
		398.050 ACRES	

-----  
ACTIONS

DATE	CODE	TAKEN	REMARKS
12/25/1973	387	CASE ESTABLISHED	PARCEL #117

\*\*\*\* CONTINUED \*\*\*\*



CASE ABSTRACT AS OF: 8/23/94  
02-25-1920;041STAT0437;30USC181ETSEQ CASE TYPE SERIAL NUMBER  
O&G LSE SIMO PUBLIC LAND 311211 OKNM 20396  
COMMODITY- OIL & GAS

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DATE	CODE	TAKEN	REMARKS
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7/27/1982	651	HELD BY PROD - ALLOCATED	C40T073
7/27/1982	660	MEMO OF 1ST PROD-ALLOC	/2/C40T073
10/05/1982	932	TRF OPER RGTS FILED	SG
11/08/1982	932	TRF OPER RGTS FILED	SG
12/22/1982	643	PRODUCTION DETERMINATION	/2/FIRST
4/13/1983	933	TRF OPER RGTS APPROVED	
4/13/1983	933	TRF OPER RGTS APPROVED	
2/04/1986	140	ASGN FILED	MTS/MESA-TEXACO
2/04/1986	932	TRF OPER RGTS FILED	SG
2/10/1986	932	TRF OPER RGTS FILED	SG
3/01/1986	898	ASGN EFFECTIVE	SG
3/20/1986	140	ASGN FILED	MTS/MESA-TEXACO
3/20/1986	932	TRF OPER RGTS FILED	SG
3/25/1986	139	ASGN APPROVED	MTS LTD
3/25/1986	139	ASGN APPROVED	MESA PETRO CO
3/25/1986	933	TRF OPER RGTS APPROVED	
3/25/1986	933	TRF OPER RGTS APPROVED	
3/25/1986	933	TRF OPER RGTS APPROVED	
3/27/1986	963	CASE MICROFILMED	CNUM 101,083
4/01/1986	898	ASGN EFFECTIVE	EPR SG

\*\*\*\* CONTINUED \*\*\*\*



CASE ABSTRACT AS OF: 8/23/94  
02-25-1920;041STAT0437;30USC181ETSEQ CASE TYPE SERIAL NUMBER  
O&G LSE SIMO PUBLIC LAND 311211 OKNM 20396  
COMMODITY- OIL & GAS

ACTIONS

DATE	CODE	TAKEN	REMARKS
2/03/1987	932	TRF OPER RGTS FILED	
2/03/1987	932	TRF OPER RGTS FILED	
4/28/1988	933	TRF OPER RGTS APPROVED	
4/28/1988	933	TRF OPER RGTS APPROVED	
7/05/1988	974	AUTOMATED RECORD VERIF	PR/GO
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5/10/1991	974	AUTOMATED RECORD VERIF	MRR/CG
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12/05/1991	139	ASGN APPROVED	TEXACO/TEXACO EXPL
12/05/1991	974	AUTOMATED RECORD VERIF	AR/JG
1/02/1992	933	TRF OPER RGTS APPROVED	TEXACO/TEXACO EXPL
1/02/1992	974	AUTOMATED RECORD VERIF	BTM/JG
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4/13/1992	933	TRF OPER RGTS APPROVED	TEXACO/NORTEX CORP
4/13/1992	974	AUTOMATED RECORD VERIF	TF/JS
9/16/1992	974	AUTOMATED RECORD VERIF	ST/JS



UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
NEW MEXICO STATE OFFICE



# NOTICE

THESE DOCUMENTS HAVE BEEN MICROFILMED BY BLM

Do not attach unfiled or unapproved documents  
beneath this notice. Forward all unfiled  
documents and this case file to Micrographics,  
Room 312, (943B1) before filing.

DO NOT REMOVE THIS NOTICE FROM CASE FILE!!!!!!!





# United States Department of the Interior

BUREAU OF LAND MANAGEMENT  
NEW MEXICO STATE OFFICE  
P.O. BOX 1449  
SANTA FE, NEW MEXICO 87501

IN REPLY REFER TO  
NM-A 12178(OK),  
et al  
3106 (943b-8)

CERTIFIED--RETURN RECEIPT REQUESTED

October 13, 1981

MTS Limited Partnership  
P. O. Box 2009  
Amarillo, TX 79189

Gentlemen:

Enclosed are 100 oil and gas record title assignments (blanket), from Mesa Petroleum Company to MTS Limited Partnership, filed March 19, 1981, completed August 6, 1981, approved effective September 1, 1981.

The following oil and gas case files could not be located, however, these will be processed for approval as soon as the cases can be located:

NM 32356	NM 33263
NM 36395	NM 36402
NM 36403	NM 36707

On the list of cases sent to us by Mesa Petroleum Company, they listed serial number NM-A 38155, according to our records this is a right-of-way case and not an oil and gas lease.

Mesa Petroleum Company does not have an interest on the following oil and gas leases:

NM 3579	NM 33264
NM 7792	NM 36651
NM 30494	NM 14296-A
NM 30496	

Sincerely yours,

/s/ Grace A. Gonzales

Acting, Chief, Oil & Gas Section

Enclosure - 1  
1-Assignments (100)

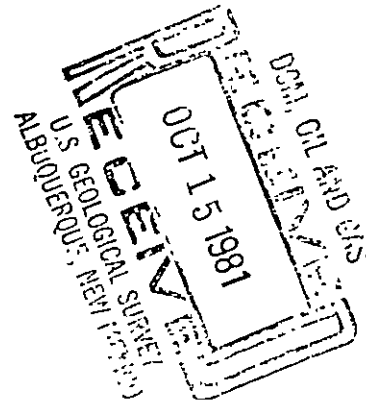
cc:

Mesa Petroleum Company  
Deputy Conservation Mgr., USGS, Albq. (2 per lease)

NOTED

NOV 10 1981

DEO



RECEIVED  
OCT 21 9 54 AM '81  
U.S. GEOLOGICAL SURVEY  
TULSA DISTRICT OFFICE





# United States Department of the Interior

BUREAU OF LAND MANAGEMENT  
NEW MEXICO STATE OFFICE  
P.O. BOX 1449  
SANTA FE, NEW MEXICO 87501

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/s/ Grace A. Gonzales

Acting, Chief, Oil & Gas Section

Enclosure - 1  
1-Assignments (100)

cc:  
Mesa Petroleum Company  
Deputy Conservation Mgr., USGS, Albq. (2 per lease)

NOTED

NOV 10 1981

DEO



UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

ASSIGNMENT AFFECTING RECORD TITLE  
TO OIL AND GAS LEASE

BLANKET ASSIGNMENT

FORM APPROVED  
OMB NO. 42-R1599

Lease Serial No.  
SEE ATTACHED

Lease effective date

FOR BLM OFFICE USE ONLY

New Serial No.

PART I

1. Assignee's Name

MTS LIMITED PARTNERSHIP

Address (include zip code)

P.O. Box 2009

Amarillo, TX 79189

The undersigned, as owner of 100 percent of the record title of the above-designated oil and gas lease, hereby transfers and assigns to the assignee shown above, the record title interest in and to such lease as specified below.

2. Describe the lands affected by this assignment (43 CFR 3101.2-3)

See attached Exhibit A

- |   |                        |
|---|------------------------|
| 3. Specify interest or percent of assignor's record title interest being conveyed to assignee   | 100%                   |
| 4. Specify interest or percent of record title interest being retained by assignor, if any  | NONE                   |
| 5. Specify overriding royalty being reserved by assignor  | NONE                   |
| 6. Specify overriding royalty previously reserved or conveyed, if any   | See Attached Exhibit A |
| 7. If any payments out of production have previously been created out of this lease, or if any such payments are being reserved under this assignment, attach statement giving full details as to amount, method of payment, and other pertinent terms as provided under 43 CFR 3106. |                        |

It is agreed that the obligation to pay any overriding royalties or payments out of production of oil created herein, which, when added to overriding royalties or payments out of production previously created and to the royalty payable to the United States, aggregate in excess of 17½ percent, shall be suspended when the average production of oil per well per day averaged on the monthly basis is 15 barrels or less.

I CERTIFY That the statements made herein are true, complete, and correct to the best of my knowledge and belief and are made in good faith.

Executed this 13 day of March  
MESA PETROLEUM CO.

By:

(Assignor's Signature)

Vice President

ATTEST

By:

Assistant Secretary

P.O. Box 2009

(Assignor's Address)

Amarillo, TX 79189

(City)

(State)

(Zip Code)

Title 18 U.S.C., Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, or fraudulent statements or representations as to any matter within its jurisdiction.

THE UNITED STATES OF AMERICA

NOTED

Assignment approved effective

SEP 1 1981

By

(Authorized Officer)

ACTING

Chief, Oil & Gas Section

(Title)

(Date)

8003391

OCT 13 1981

NOV 1 1981

Is/ Grace A. Gonzales

NOTED - Mauldin

nm 20396

GS-Album



## PART II

## ASSIGNEE'S REQUEST FOR APPROVAL OF ASSIGNMENT

## A. ASSIGNEE CERTIFIES THAT

1. Assignee is over the age of majority
2. Assignee is a citizen of the United States
3. Assignee is ☐ Individual ☐ Municipality ☒ Association ☐ Corporation. If other than an individual, assignee's statement of its qualifications are attached. If previously furnished, identify the serial number of the record in which filed AZ -3100-80-M
4. Assignee's interests, direct and indirect, do not exceed 200,000 acres in oil and gas options or 246,000 chargeable acres in options and leases in the same State, or 300,000 chargeable acres in leases and options in each leasing District in Alaska.
5. Assignee ☒ is ☐ is not the sole party in interest in this assignment. Information as to interests of other parties in this assignment must be furnished as provided in the regulations (43 CFR 3106)
6. A filing fee of \$25.00 is attached.

B. ASSIGNEE AGREES That, upon approval of this assignment by the authorized officer of the Bureau of Land Management, he will be bound by the terms and conditions of the lease described herein as to the lands covered by this assignment, including, but not limited to, the obligation to pay all rentals and royalties due and accruing under said lease, to condition all wells for proper abandonment, to restore the leased lands upon completion of any drilling operations as prescribed in the lease, and to furnish and maintain such bond as may be required by the lessor to assure compliance with the terms and conditions of the lease and the applicable regulations.

C. IT IS HEREBY CERTIFIED That the statements made herein are true, complete, and correct to the best of undersigned's knowledge and belief and are made in good faith.

Executed this 13 day of March, 19 81.

MTS LIMITED PARTNERSHIP

By: J. K. Larsen

(Assignee's Signature)

P.O. Box 2009

(Assignee's Address)

Vice President

Mesa Petroleum Co., General Partner

Amarillo, TX 79189

ATTEST

By: Edna Jackson

(City)

(State)

(Zip Code)

Title 18 U.S.C., Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, or fraudulent statements or representations as to any matter within its jurisdiction.

STATE OF Texas )  
 ) ss.:  
COUNTY OF Potter )

The foregoing instrument was acknowledged before me this 13 day of March, 19 81, by J. K. Larsen, Vice President of Mesa Petroleum Co., a Delaware corporation, on behalf of said corporation.

WITNESS my hand and official seal the day and year last above written.

My Commission Expires:  
11-30-84

Edna Jackson  
Edna Jackson Notary Public

connection with information required by this assignment and request for approval.

AUTHORITY: 30 U.S.C. 181 et. seq.

PRINCIPAL PURPOSE - The information is to be used to process the assignment and request for approval.

## ROUTINE USES:

- (1) The adjudication of the assignee's rights to the land or resources.
- (2) Documentation for public information in support of notations made on land status records for the management, disposal, and use of public lands and resources.
- (3) Transfer to appropriate Federal agencies when concurrence is required prior to granting a right in public lands or resources.
- (4X5) Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions.

EFFECT OF NOT PROVIDING INFORMATION - If all the information is not provided, the assignment may be rejected.

RECEIVED  
SANTA FE  
COUNTY

10:44 20 6 9 004

11-30-84



USA NM-A-12178 (OKLA)  
USA NM-20396  
USA NM-28183 (OKLA)  
USA NM-27024  
USA NM-20304  
USA NM-23233  
USA NM-29588  
USA NM-30492  
USA NM-30495  
USA NM-19608  
USA NM-15667  
USA NM-37840  
USA NM-8944  
USA NM-23179  
USA NM-29607  
USA NM-29608  
USA NM-37838  
USA NM-17040  
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USA NM-29633  
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USA NM-16827  
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USA NM-A 38155  
USA NM-36601  
USA NM-36602  
USA NM-21436-A

USA NM-35356  
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USA NM-30627  
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USA NM-22844  
USA NM-28298  
USA NM-28151  
USA NM-33663  
USA NM-20336  
USA NM-18961  
USA NM-20345  
USA NM-31098  
USA NM-36707  
USA NM-12686  
USA NM-14992  
USA NM-26372  
USA NM-17793  
USA NM-14987  
USA NM-14756  
USA NM-A19218  
USA NM-14291  
USA NM-20328  
USA NM-14296-A  
USA NM-29416  
USA NM-32167  
USA NM-3576  
USA NM-3994  
USA NM-11939  
USA NM-28290  
USA NM-29587  
USA NM-36917  
USA NM-42973  
USA NM-31932  
USA NM-3579  
USA NM-7792  
USA NM-30494  
USA NM-30496



## EXHIBIT "A"

DATE: April 1, 1974  
 LESSOR: USA NM-20396  
 LESSEE: Frances G. Davison  
 DESCRIPTION: Canadian, Oklahoma

T10N R8W  
 Sec. 1 & 2  
 T11N R8W  
 Sec. 28: Portions further described by metes and bounds  
 in lease  
 Sec. 35: See lease for metes and bounds description

CONTAINING 398.050 ACRES ML

RECORD TITLE OWNERSHIP: 100 %  
 PART BEING CONVEYED: 100%  
 RECORD TITLE BEING RETAINED: NONE  
 OVERRIDING ROYALTY OR PRODUCTION  
 PAYMENT BEING RESERVED: NONE  
 OVERRIDING ROYALTIES OR PRODUCTION  
 PAYMENT PREVIOUSLY RESERVED: 6.00 %

\*

\*

DATE: September 1, 1976  
 LESSOR: USA NM-28183 (OKLA)  
 LESSEE: Meredith C. Allen  
 DESCRIPTION: Canadian, Oklahoma

T10N R8W, IM  
 Sec. 1: Lot 5; Sec. 2: Lots 1, 3, & remaining portion Lot 2  
 fur described in lease  
 T11N R8W, IM  
 Sec. 28: Remaining portion Lot 3 further described in Lease, Lot 4,  
 NE SE and remaining portion of SW NE fur described in lease  
 Sec. 35: Lot 1, plus remaining portion of lots 2, 3, 4, further  
 described in lease.

CONTAINING 325.240 ACRES ML

RECORD TITLE OWNERSHIP: 100 %  
 PART BEING CONVEYED: 100%  
 RECORD TITLE BEING RETAINED: NONE  
 OVERRIDING ROYALTY OR PRODUCTION  
 PAYMENT BEING RESERVED: NONE  
 OVERRIDING ROYALTIES OR PRODUCTION  
 PAYMENT PREVIOUSLY RESERVED: 6.00 %

\*

\*

DATE:  
 LESSOR:  
 LESSEE:  
 DESCRIPTION:

CONTAINING \_\_\_\_\_ ACRES ML

RECORD TITLE OWNERSHIP: \_\_\_\_\_ %  
 PART BEING CONVEYED: 100%  
 RECORD TITLE BEING RETAINED: NONE  
 OVERRIDING ROYALTY OR PRODUCTION  
 PAYMENT BEING RESERVED: NONE  
 OVERRIDING ROYALTIES OR PRODUCTION  
 PAYMENT PREVIOUSLY RESERVED: \_\_\_\_\_ %



## ASSIGNMENT OF OIL AND GAS LEASE

THIS ASSIGNMENT, made and entered into this the **12th** day of **September** 19 **74**,  
by and between **Frances G. Davison and husband, Len M. Davison**

whose address is **8407 W. 98th Circle, Overland Park, Kansas 66212**  
hereinafter referred to as "Assignor" (whether one or more), and **Mesa Petroleum Co.**

whose address is **P.O. Box 2009, Amarillo, Texas 79105.**  
hereinafter referred to as "Assignee" (whether one or more).

## WITNESSETH:

Assignor, for and in consideration of the sum of \$10.00 and other cash Dollars paid by Assignee, the receipt and sufficiency of which is hereby confessed and acknowledged, does hereby grant, bargain, sell, assign, transfer, set over and convey unto Assignee, Assignee's heirs, personal representatives, successors and assigns, that certain Oil and Gas Lease made and entered into on the **1st** day of **April** 19 **74**, from the United States, as Lessor, bearing **New Mexico** Serial No. **20396 Okla.**, insofar as said lease covers and affects the following described land in **Canadian** County, ~~New Mexico~~ **Oklahoma to wit:**

**T. 10 N. - R. 8 W., I.M.**

**Sec. 1, Accretions and riparian rights to Lot 5**

**Sec. 2, Accretions and riparian rights to Lots 1 and 2**

**T. 11 N. - R. 8 W., I.M.**

**Sec. 28, Accretions and riparian rights to lots 3 and 4**

**Sec. 35, Accretions and riparian rights to lots 1,2,3 and 4**

**Total acreage: 398.05**

**(See attachments for metes and bounds description.)**

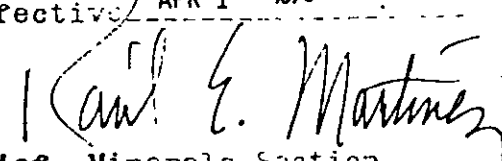
together with all rights and privileges thereunder or appurtenant thereto, subject, however, to the following:

Assignor hereby excepts and reserves an overriding royalty equal to **Six percent (6%)**

of the market value at the wells, as produced, of all the oil and gas which may be produced, saved and marketed from the above described land under the terms of said lease or any extension or renewals thereof. Said overriding royalty shall be computed and paid at the same time and in the same manner as royalties payable to the United States under the terms of said lease are computed and paid, and Assignor shall be responsible for Assignor's proportionate part of all taxes and assessment levied upon or against or measured by the production of oil and gas therefrom. Said overriding royalty shall be the total overriding royalty for which Assignee shall be obligated and shall include all overriding royalties or obligations payable out of production, if any, heretofore created and payable out of production of oil and gas from said land. Assignor's interest in said overriding royalty shall be subject to any cooperative or unit plan of operation or development approved by the Secretary of the Interior, or any communitization or other agreement for the purpose of forming a well spacing or a proration unit under the rules or regulations of the ~~United States~~ **United States**, to which said lease may have heretofore been committed or may hereafter be committed, and in such event, said overriding royalty shall be computed and paid on the basis of the oil and gas allocated to the above described land under and pursuant to the terms of any such plan of operation or development or any such agreement. Except as specifically herein provided, this reservation of said overriding royalty shall not imply any leasehold preservation, drilling or development obligation on the part of Assignee, however, nothing herein contained shall relieve Assignee from compliance with any of the terms and conditions of said lease. No change in the ownership of said overriding royalty, or any interest therein, shall be binding upon Assignee until such time as Assignee shall have been furnished with either the original, a certified copy or an acceptable photostatic copy of the recorded instrument or instruments effecting such change in ownership. \*\*

\*\*Oklahoma Corporation Commission

NOTED  
MAR 20 1975  
WISE

ASSIGNMENT	APR 1 1975
Effective	
	
Chief, Minerals Section	



(Canadian County)

T. 10 N., R. 8 W.

Sec. 1: Accretion and riparian rights to Lot 5,  
described by metes and bounds as follows:

Beginning at the meander corner of secs. 1 and 2 on the 1873 left bank  
of Canadian River, identical to the south-east corner of lot 5;

Thence S.  $35^{\circ}20'$  W., 20.35 chs. distance to a proportioned point on the  
1970 left bank of the river,

Thence S.  $57^{\circ}20'$  W., perpendicular to the medial line of river, 5.25  
chs. distance to the medial line,

Thence along the medial line, S.  $32^{\circ}40'$  E., 8.10 chs. distance, S.  $53^{\circ}15'$  E.,  
19.45 chs. distance to a point,

Thence N.  $35^{\circ}45'$  E., perpendicular to the medial line, 1.20 chs. distance  
to a proportioned point on the 1970 left bank of Canadian River;

Thence N.  $32^{\circ}40'$  E., 25.30 chs. distance to the southernmost corner of  
lot 5;

Thence along the 1873 meander line of the left bank, N.  $54^{\circ}30'$  W., 18.70  
chs. distance, S.  $61^{\circ}00'$  W., 5.30 chs. distance to the point of beginning,  
containing 71.51 acres of land, more or less.

Sec. 2: Accretion and riparian rights to Lot 1,  
described by metes and bounds as follows:

Beginning at the south-east-most corner of lot 1 on the 1873 left bank of the  
Canadian River, from which the meander corner of secs. 1 and 2 on the left  
bank bears S.  $61^{\circ}10'$  E., 22.60 chs. distance,

Thence S.  $37^{\circ}55'$  W., 9.55 chs. distance to a proportioned point on the  
1970 left bank of Canadian River;

Thence S.  $59^{\circ}35'$  E., perpendicular to the medial line of the river, 5.10  
chs. distance to the medial line;

Thence S.  $32^{\circ}40'$  E., along the medial line, 3.30 chs. distance to a point;

Thence N.  $57^{\circ}20'$  E., perpendicular to the medial line of the river, 5.05  
chs. distance to a proportioned point on the 1970 left bank of the river;

Thence N.  $35^{\circ}15'$  E., 10.00 chs. distance to a southwestern corner of  
lot 1 on the 1873 left bank of Canadian River;

Thence N.  $55^{\circ}00'$  W., along the 1873 meander line of the left bank, 3.05  
chs. distance to the point of beginning, containing 4.45 acres of land,  
more or less.

Sec. 2: Accretion and riparian rights to Lot 2,  
described by metes and bounds as follows:

Beginning at the southernmost corner of lot 2 on the 1873 left bank of  
Canadian River, from which the meander corner of secs. 1 and 2 on the  
left bank bears S.  $61^{\circ}10'$  E., 22.60 chs. distance,

Thence along the 1873 meander line of the left bank, N.  $55^{\circ}00'$  W., 9.60  
chs. distance, N.  $45^{\circ}00'$  W., 3.50 chs. distance, N.  $57^{\circ}15'$  W., at 5.80  
chs. distance on this course, intersect 1970 left bank of river, at  
11.00 chain an angle point, N.  $29^{\circ}45'$  W., 3.50 chs. to a point,

Thence S.  $59^{\circ}35'$  W., perpendicular to the medial line of the Canadian  
River, 1.70 chs. distance to the medial line;

Thence S.  $30^{\circ}25'$  E., along the medial line, 27.90 chs. distance to a point,

Thence N.  $59^{\circ}35'$  E., perpendicular to the medial line, 5.10 chs. distance  
to a proportioned point on the 1970 left bank of river,

Thence N.  $37^{\circ}35'$  E., 8.85 chs. distance to the point of beginning, con-  
taining 21.63 acres of land, more or less.



(Cont'd)

T. 10 N., R. 8 W. (Cont'd)

Sec. 2: Accretion and riparian rights to Lot 3,  
described by metes and bounds as follows:

Beginning at the meander corner of secs. 1 and 2 on the 1873 left bank  
of Canadian River, identical with the southernmost corner of lot 3;

Thence along the 1873 meander line of left bank, N.  $77^{\circ}30'$  W., 8.00 chs  
distance, N.  $59^{\circ}30'$  W., 5.00 chs. distance, N.  $43^{\circ}00'$  W., 4.50 chs. distance;  
N.  $55^{\circ}00'$  W., 3.00 chs. distance to the westernmost corner of lot 3,

Thence S.  $38^{\circ}15'$  W., 10.00 chs. distance to a proportioned point on the  
1970 left bank of Canadian River,

Thence S.  $57^{\circ}20'$  W., perpendicular to the medial line of the river, 5.05  
chs. distance to the medial line,

Thence S.  $32^{\circ}40'$  E., along the medial line, 21.65 chs. distance to a  
point,

Thence N.  $57^{\circ}20'$  E., perpendicular to the medial line, 5.25 chs. distance  
to a proportioned point on the 1970 left bank of the river,

Thence N.  $35^{\circ}20'$  E., 30.35 chs. distance to the point of beginning,  
containing 39.19 acres of land, more or less.

T. 11 N., R. 8 W.

Sec. 28: Accretion and riparian rights to the re-  
maining portion of Lot 3, exclusive of the eroded portion of the  
lot, described by metes and bounds as follows:

Beginning at the southern corner of lot 3 on the 1873 left bank of  
Canadian River, from which the meander corner of secs. 27 and 28 on the  
left bank bears S.  $5^{\circ}15'$  E., 22.00 chs. distance;

Thence along the 1873 meander line of the left bank N.  $47^{\circ}00'$  W., 4.25  
chs. distance, N.  $32^{\circ}30'$  W., 14.10 chs. distance; N.  $71^{\circ}30'$  W., 5.00 chs.  
distance to a western corner of lot 3,

Thence N.  $3^{\circ}35'$  W., along the west boundary of lot 3, 4.00 chs. distance  
to the northwest corner of the lot,

Thence West, perpendicular to the medial line of the river, 4.40 chs.  
distance to the medial line,

Thence along the medial line, South, 13.95 chs. distance; S.  $16^{\circ}25'$  W.,  
17.80 chs. distance to a point;

Thence S.  $73^{\circ}35'$  E., perpendicular to the previous course, 3.90 chs.  
distance to a proportioned point on the 1970 left bank of the river;

Thence N.  $62^{\circ}30'$  E., 26.55 chs. distance to the point of beginning,  
containing 43.01 acres of land, more or less.

Sec. 28: Accretion and riparian rights to lot 4,  
described by metes and bounds as follows:

Beginning at the meander corner of secs. 27 and 28 on the 1873 left bank  
of the Canadian River;

Thence along the 1873 meander line, N.  $62^{\circ}30'$  W., 3.40 chs. distance;  
N.  $58^{\circ}15'$  W., 12.00 chs. distance, N.  $47^{\circ}00'$  W., 12.70 chs. distance  
to the westernmost corner of lot 4,

Thence S.  $62^{\circ}30'$  W., 26.55 chs. distance to a proportioned point on the  
1970 left bank of the Canadian River,

Thence N.  $73^{\circ}35'$  W., perpendicular to the medial line of the river, 3.00  
chs. distance to the medial line,



(Cont'd)

T. 11 N., R. 8 W.

Sec. 28: Accretion and riparian rights to lot 4,

(Cont'd)

Thence along the medial line, S.  $36^{\circ}30'$  W., 13.30 chs. distance;  
S.  $18^{\circ}45'$  W., 9.45 chs. distance; S.  $10^{\circ}00'$  E., 16.75 chs. distance;  
S.  $35^{\circ}50'$  E., 5.00 chs. distance to a point;

Thence N.  $54^{\circ}10'$  E., perpendicular to the medial line of the river,  
9.50 chs. distance to a proportioned point on the 1970 left bank of  
the river;

Thence N.  $58^{\circ}10'$  E., 55.51 chs. distance to the point of beginning,  
containing 149.64 acres of land, more or less.

Sec. 35: Accretion and riparian rights to Lot 1,  
described by metes and bounds as follows:

Beginning at the meander corner of secs. 34 and 35 on the 1873 left bank  
of Canadian River, identical to the west corner of lot 4;

Thence with a portion of the 1873 meanders, N.  $79^{\circ}15'$  W., 6.75 chs.  
distance; N.  $50^{\circ}00'$  W., .90 chs. distance to a point;

Thence N.  $76^{\circ}35'$  W., 10.50 chs. distance to a proportioned point on the  
1970 left bank of the Canadian River;

Thence S.  $42^{\circ}55'$  W., perpendicular to the medial line of river, 5.05 chs.  
distance to the medial line,

Thence along the medial line, S.  $41^{\circ}05'$  E., 6.35 chs. distance; S.  $29^{\circ}50'$  E.,  
9.50 chs. distance, S.  $40^{\circ}15'$  E., 9.20 chs. distance to a point,

Thence N.  $49^{\circ}15'$  E., perpendicular to the medial line, 5.05 chs. distance  
to a proportioned point on the 1970 left bank of Canadian River,

Thence S.  $84^{\circ}40'$  E., 12.90 chs. distance to the south-western corner of  
lot 1;

Thence along the 1873 meander line of the left bank, N.  $2^{\circ}15'$  W., .65 chs.  
distance, N.  $31^{\circ}00'$  W., 19.00 chs. distance to the point of beginning,  
containing 37.99 acres of land, more or less.

Sec. 35: Accretion and riparian rights to the re-  
maining portion of Lot 2, described by metes and bounds as follows:

Beginning at the northwest corner of lot 2 on the 1873 left bank of Canadian  
River, from which the meander of secs. 34 and 35 on the left bank bears  
N.  $28^{\circ}45'$  W., 20.20 chs. distance,

Thence N.  $81^{\circ}40'$  W., 12.50 chs. distance to a proportioned point on the  
1970 left bank of Canadian River;

Thence S.  $49^{\circ}45'$  W., perpendicular to the medial line of the river, 5.05  
chs. distance to the medial line,

Thence along the medial line, S.  $40^{\circ}15'$  E., 3.40 chs. distance; S.  $52^{\circ}30'$  E.,  
14.00 chs. distance, S.  $47^{\circ}40'$  E., 11.55 chs. distance to a point,

Thence N.  $42^{\circ}20'$  E., perpendicular to the medial line of the river, 5.40  
chs. distance to intersection of the 1873 meander line,

Thence along the 1873 meander line N.  $27^{\circ}30'$  W., at 3.00 chs. distance  
on this course intersect left bank of river, N.  $40^{\circ}10'$  W., 11.00 chs.  
distance; N.  $2^{\circ}15'$  W., 5.55 chs. distance to the point of beginning,  
containing 23.24 acres of land, more or less.



(Cont'd)

T. 11 N., R. 8 W.

Sec. 35: Riparian rights to the remaining portion of Lot 3, exclusive of those eroded portions of 2, 3, and 4 described by metes and bounds as follows:

Beginning at a point on the 1873 meander line of the left bank of Canadian River, from which the meander corner of secs. 34 and 35 on the left bank of the river bears N. 23°00' W., 39.60 chs. distance and the 1970 southwest corner of lot 3 bears N. 42°20' E., 1.60 chs. distance,

Thence S. 42°20' W., perpendicular to the medial line of the Canadian River, 5.45 chs. distance to the medial line,

Thence S. 47°40' E., along the medial line, 5.05 chs. distance to a point;

Thence N. 42°20' E., 1.70 chs. distance to intersection of the 1873 meander line of the left bank Canadian River, from which the 1970 southwest corner of lot 3 bears N. 42°20' E., 1.50 chs. distance,

Thence along the 1873 meander line of the left bank, N. 46°15' W., 3.25 chs. distance; N. 27°20' W., 1.50 chs. distance to the point of beginning, containing 2.44 acres of land, more or less.

Sec. 35: Riparian rights to the remaining portion of Lot 4, exclusive of the eroded portion of the original lot, described by metes and bounds as follows:

Beginning at a point on the 1873 meander line of the left bank Canadian River, from which the meander corner of secs. 34 and 35 bears N. 29°50' W., 44.70 chs. distance and the north-east corner of lot 4 bears N. 46°45' W., 1.20 chs. distance,

Thence S. 42°20' W., perpendicular to the medial line of the Canadian River, 4.80 chs. distance to the medial line;

Thence along the medial line, S. 47°40' E., 3.90 chs. distance, S. 46°30' E., 14.00 chs. distance to intersection of the 1873 meander line;

Thence along the 1873 meander line, N. 26°30' W., 13.05 chs. distance, N. 46°45' W., 5.75 chs. distance to the point of beginning, containing 5.55 acres of land, more or less.

398.05 TOTAL ACRES



If Assignee should at any time desire to surrender to the U.S. States said lease as to all or any portion of the above described lands, Assignee shall tender a reassignment of said lease as to the lands sought to be surrendered to Assignor (1) at least forty-five (45) days prior to the time for the payment of the next annual rental under the terms of said lease or any extension or renewal thereof or (2) at least forty-five (45) days prior to the expiration of said lease in the event the same may be extended or renewed. In such event, Assignor shall accept such reassignment within ten (10) days from the time the same is tendered, failing in which, Assignee shall be free to surrender said lease as to such lands. In the event the reassignment is accepted by Assignor as herein provided, Assignor shall save, hold and protect Assignee harmless from all rentals and liability of whatsoever character subsequently accruing with respect to the lands covered by said reassignment.

TO HAVE AND TO HOLD said lease covering the above described lands unto Assignee, his heirs, personal representatives, successors and assigns forever. For the same consideration, Assignor covenants with and warrants to Assignee that said lease is in good standing and is free and clear of all liens, encumbrances and obligations of whatsoever character except those hereinabove referred to and that Assignor will warrant and forever defend the title thereto unto Assignee, his heirs, personal representatives, successors and assigns, against all persons whomsoever lawfully having or claiming an interest therein.

IN WITNESS WHEREOF, this Assignment is executed in quadruplicate as of the day and year first hereinabove written.

*Frances G. Davison*

Frances G. Davison

*Len M. Davison*

Len M. Davison, husband

STATE OF

COUNTY OF

ss

The foregoing instrument was acknowledged before me this 20 day of Sept, 1974,

by NOTARY PUBLIC

My Commission Expires:

My Commission Expires March 13, 1976

*[Signature]*  
Notary Public

STATE OF

COUNTY OF

ss

The foregoing instrument was acknowledged before me this      day of      , 19      , by

President of

a

corporation, in behalf of said corporation.

My Commission Expires:

Notary Public



REQUEST FOR APPROVAL OF ASSIGNMENT  
Assignee hereby requests approval of assignment

- 1a Is the assignee over 21 years of age and a citizen of the United States? ☒ Yes ☐ No
- b Is the assignee a corporation or other legal entity? ☒ Yes ☐ No (If "yes," specify kind)

A Delaware Corporation

- c If a corporation, attach qualifications or if already on file, give serial number of case file  
Wyoming 0311828 (Kansas)
- 2 Is the assignee the sole party in interest in this assignment? ☒ Yes ☐ No (If "no," information as to interests of other parties in the assignment must be furnished as prescribed in Item 3 of the Instructions)
3. Is the filing fee of \$10 attached? ☒ Yes ☐ No

ASSIGNEE CERTIFIES That assignee's interests, direct and indirect, do not exceed 200,000 acres in oil and gas options or 246,080 chargeable acres in options and leases in the same State, or 300,000 chargeable acres in leases and options in each leasing district in Alaska

Assignee agrees to be bound by the terms and provisions of the lease described herein, provided the assignment is approved by the Authorized Officer of the Bureau of Land Management

IT IS HEREBY CERTIFIED That the statements made herein are true, complete, and correct to the best of the undersigned's knowledge and belief and are made in good faith

This form is submitted in lieu of official Form 3120-13 and contains all of the provisions thereof as of the date of filing of this Assignment.

Executed this 4 day of October, 1974

ARSA PETROLEUM CO.

ATTEST:

By

Asst. Secretary

By

Vice President (Assignee's Signature)

P. O. Box 2009, Amarillo, Texas 79105  
(Address)

INSTRUCTIONS

1. Use of form. This form is to be used only for assignment of record title interests in oil and gas leases. It is not to be used for assignments of working or royalty interest, operating agreements, or subleases. The assignment, if approved, will take effect as of the first day of the lease month following the date of filing in the proper Land Office of three (3) original executed counterparts thereof, together with any required bond and proof of the qualification of the assignee to take and hold the interest assigned. Assignments must be filed within ninety (90) days from date of final execution and each must be accompanied by a filing fee of \$10. Any assignment not accompanied by the required fee will not be accepted for filing. An assignment of record title may cover lands in only one lease. Where more than one assignment is made out of a lease, a separate instrument of transfer must be filed for each assignment.

2. Qualifications of assignee. Assignee must indicate whether or not he is over the age of 21 and a citizen of the United States. If assignee is an unincorporated association (including a partnership) the assignment must be accompanied by a statement giving the same showing as to citizenship and holdings of its members as required of an individual. If assignee is a corporation, it must submit a statement containing the following information: (a) the State in which it is incorporated, (b) that

it is authorized to hold oil and gas leases, (c) that the officer executing the assignment is authorized to act on behalf of the corporation in such matters, and (d) the percentage of the voting stock and of all of the stock owned by aliens or those having addresses outside the United States. If 10 percent or more of the stock of any class is owned or controlled by or on behalf of any one stockholder a separate showing of his citizenship and holdings must be furnished. Where evidence of the corporation's citizenship and stock ownership has previously been furnished, reference by serial number to the record in which it has been filed, together with a statement as to any amendments, will be sufficient. With respect to qualifications of the assignee, there must be full compliance with the regulations 43 CFR 3123.2.

3. Statement of interests. Assignee must indicate whether or not he is the sole party in interest in the assignment. If not the sole party in interest, the assignee must submit at the time the assignment is filed a signed statement setting forth the names of the other interested parties. If there are other parties interested in the assignment, a separate statement must be signed by each and the assignee setting forth the nature and extent of the interest of each, the nature of the agreement between them, if oral, and a copy of the agreement, if written. All interested parties must furnish evidence of their qualifications to hold such lease interests. Such separate statement and written agreement, if any, must be filed not later than fifteen (15) days after the filing of the assignment.

4. Overriding royalties or payments out of production. Any overriding royalties or payments out of production created by the assignment but not set out therein must be described in an accompanying statement. If payments out of production are reserved by the assignor, outline in detail the amount, method of payment, and other pertinent terms.

5. Effect of assignment. Upon approval of the assignment, the assignee becomes the lessee of the Government as to the assigned interest and will be responsible for compliance with all the lease terms and conditions, including timely payment of annual rentals and maintenance of bond, if required. The approval of an assignment of part of the leased lands creates separate leases out of the assigned portion and the retained portion, but there is no change in either the anniversary date or the term of such leases except as provided under the regulations 43 CFR 3128.5. Oil and gas leases are governed by the regulations 43 CFR 3100 and 3128, of which sections 3128 1-6 relate to assignments of such leases or interests therein.

6. A copy of the executed lease out of which this assignment is made should be made available to the assignee by the assignor.

KINTZEL BLUE PRINT CO  
134 N. CENTER  
CASPER, WYOMING

Form 3120-13  
(September 1964)  
(formerly 4-1175)

STATE OF \_\_\_\_\_ }  
COUNTY OF \_\_\_\_\_ } ss

Oklahoma, Kansas, New Mexico, Wyoming, Montana, Colorado, Utah,  
Nebraska, North Dakota, South Dakota  
ACKNOWLEDGMENT — INDIVIDUAL

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_, personally appeared \_\_\_\_\_

and \_\_\_\_\_, to me known to be the identical person \_\_\_\_\_, described in and who executed the within and foregoing instrument of writing and acknowledged to me that \_\_\_\_\_ duly executed the same as \_\_\_\_\_ free and voluntary act and deed for the uses and purposes therein set forth

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written  
My Commission Expires \_\_\_\_\_ Notary Public



Assignment of Oil and Gas Lease dated September 12, 1974, from the undersigned to MESA PETROLEUM CO., of Oil and Gas Lease made and entered into on the 1st day of April 1974 from the United States of America, as Lessor, bearing New Mexico Serial No. 20396 Okla., accepts and reserves in the undersigned an Overriding Royalty Interest equal to six percent (6%). It is agreed by the undersigned that the obligation to pay any overriding royalties or payments out of production of oil created therein, which, when added to overriding royalties or payments out of production previously created and to the royalty payable to the United States, aggregate in excess of 17½%, shall be suspended when the average production of oil per well per day averaged on the monthly basis is 15 barrels or less.

The above statement dated this 26<sup>th</sup> day of Feb 1975.

Frances G. Davison  
Frances G. Davison

Len M. Davison  
~~Len~~ M. Davison (husband)  
LEN



USGS Tulsa

NM 20396 OK.  
Oil & Gas

943b

STATE OFFICE  
P. O. Box 1449  
Santa Fe, New Mexico 87501

April 19, 1974



DECISION

Frances G. Davison

:  
: Oil and Gas  
:

Lease Amended

Oil and Gas lease NM 20396 (Okla) issued effective April 1, 1974.

The land description on the lease form 3120-19 is amended to include  
T. 11 N., R. 8 W., I.M.

The total acreage, rental and attachment for metes and bounds description  
remain the same.

*/s/ Raul E. Martinez*

Raul E. Martinez  
Chief, Minerals Section

cc: GS, Roswell (2) ✓

GAGonzales:tz

U. S. GEOLOGICAL SURVEY  
ROSWELL, NEW MEXICO

*Lease  
Amendment  
noted  
4-24-74*

NOTED - Mauldin



UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT



LEASE FOR OIL AND GAS  
(Sec 17 Noncompetitive Public Domain Lease)  
Act of February 25, 1920 (41 Stat 437), as amended (30 U.S.C. 181-263)

Name **Frances G. Davison**  
Street **8407 West 98th Circle**  
City  
State **Overland Park, Kansas 66212**  
Zip Code

**NM 20396(Okla)**  
(Serial Number)

This oil and gas lease is issued for a period of ten (10) years to the above-named lessee pursuant and subject to the provisions of the Mineral Leasing Act and subject to all rules and regulations of the Secretary of the Interior now or hereafter in force, when not inconsistent with any express and specific provisions herein, which are made a part hereof.

Lands included in the lease: State **Oklahoma** County **Canadian**

This lease is subject to the determination by the Geological Survey as to whether the lands described were on a known geologic structure or a producing oil or gas field as of the date of signing hereof by the authorized officer

**T. 10 N., R. 8 W., I.M.**

**See attachments for metes and bounds description.**

LANDS IN LEASE WERE NOT  
WITHIN A KNOWN GEOLOGIC  
STRUCTURE ON DATE OF  
LEASE ISSUANCE.

Containing a total of	<b>398.05</b> acres	Annual Rental	<b>\$ 199.50</b>
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This lease is issued to the successful drawee pursuant to his "Simultaneous Oil and Gas Entry Card" application filed under 43 CFR 3123.9, and is subject to the provisions of that application and those specified on the reverse side hereof.

Effective date of lease. **April 1, 1974**

THE UNITED STATES OF AMERICA

NOTED

APR 18 1974

WISE

By /s/Marie D. Larragoite  
(Signature of Signing Officer)

**Marie D. Larragoite**  
**Acting Chief, Minerals Section**  
(Title)

**March 22, 1974**  
(Date)

NOTED - Mauldin



## LEASE TERMS

**Sec. 1. Rights of lessee.**—The lessee is granted the exclusive right and privilege to drill for, mine, extract, remove, and dispose of all the oil and gas deposits, except helium gas, in the lands leased, together with the right to construct and maintain thereupon, all works, buildings, plants, waterways, roads, telegraph or telephone lines, pipelines, reservoirs, tanks, pumping stations, or other structures necessary to the full enjoyment thereof, for a period of 10 years, and so long thereafter as oil or gas is produced in paying quantities, subject to any unit agreement heretofore or hereafter approved by the Secretary of the Interior, the provisions of said agreement to govern the lands subject thereto where inconsistent with the terms of this lease.

### Sec. 2. The lessee agrees

(a) **Bonds.**—(1) To file any bond required by this lease and the current regulations and until such bond is filed not to enter on the land under this lease. (2) To maintain any bond furnished by the lessee as a condition for the issuance of this lease. (3) To furnish a bond in a sum double the amount of \$2 per acre annual rental but not less than \$1,000 nor more than \$10,000 upon the inclusion of any part of the leased land within the known geologic structure of a producing oil or gas field. (4) To furnish prior to beginning of drilling operations and maintain at all times thereafter as required by the lessor a bond in the penal sum of \$10,000 with approved corporate surety, or with deposit of United States bonds as surety therefor, conditioned upon compliance with the terms of this lease, unless a bond in that amount is already being maintained or unless such a bond furnished by an operator of the lease is accepted. (5) Until a general lease bond is filed to furnish and maintain a bond in the penal sum of not less than \$1,000 in those cases in which a bond is required by law for the protection of the owners of surface rights. In lieu of any of the bonds described herein, the lessee may file such other bond as the regulations may permit.

(b) **Cooperative or unit plan.**—Within 30 days of demand, or, if the leased land is committed to an approved unit or cooperative plan and such plan is terminated prior to the expiration of this lease, within 30 days of demand made thereafter, to subscribe to and to operate under such reasonable cooperative or unit plan for the development and operation of the area, field, or pool, or part thereof, embracing the lands included herein as the Secretary of the Interior may then determine to be practicable and necessary or advisable, which plan shall adequately protect the rights of all parties in interest, including the United States.

(c) **Wells.**—(1) To drill and produce all wells necessary to protect the leased land from drainage by wells on lands not the property of the lessor, or lands of the United States leased at a lower royalty rate, or as to which the royalties and rentals are paid into different funds than are those of this lease, or in lieu of any part of such drilling and production, with the consent of the Director of the Geological Survey, to compensate the lessor in full each month for the estimated loss of royalty through drainage in the amount determined by said Director. (2) At the election of the lessee, to drill and produce other wells in conformity with any system of well spacing or production allotments affecting the field or area in which the leased lands are situated, which is authorized and sanctioned by applicable law or by the Secretary of the Interior; and (3) promptly after due notice in writing to drill and produce such other wells as the Secretary of the Interior may reasonably require in order that the leased premises may be properly and timely developed and produced in accordance with good operating practice.

(d) **Rentals and royalties.**—(1) To pay rentals and royalties in amounts or value of production removed or sold from the leased lands as follows:

**Rentals.**—To pay the lessor in advance an annual rental at the following rates:

(a) If the lands are wholly outside the known geologic structure of a producing oil or gas field.

(b) If the lands are wholly or partly within the known geologic structure of a producing oil or gas field.

(i) Beginning with the first lease year after 30 days' notice that all or part of the land is included in such a structure and for each year thereafter, prior to a discovery of oil or gas on the lands leased, \$2 per acre or fraction of an acre.

(ii) If this lease is committed to an approved cooperative or unit plan which includes a well capable of producing oil or gas and contains a general provision for allocation of production, the rental prescribed for the respective lease years in sub paragraph (a) of this section, shall apply to the acreage not within a participating area.

**Minimum royalty.**—Commencing with the lease year beginning on or after a discovery on the leased land, to pay the lessor in lieu of rental, a minimum royalty of \$1 per acre or fraction thereof at the expiration of each lease year, or the difference between the actual royalty paid during the year if less than \$1 per acre, and the prescribed minimum royalty of \$1 per acre, provided that if this lease is unitized, the minimum royalty shall be payable only on the participating acreage and rental shall be payable on the nonparticipating acreage as provided in subparagraph (b)(ii) above.

**Royalty on production.**—(1) To pay the lessor 12½ percent royalty on the production removed or sold from the leased lands computed in accordance with the Oil and Gas Operating Regulations (30 CFR Pt. 221).

(2) It is expressly agreed that the Secretary of the Interior may establish reasonable minimum values for purposes of computing royalty on any or all oil, gas, natural gasoline, and other products obtained from gas, due consideration being given to the highest price paid for a part or for a majority of production of like quality in the same field, to the price received by the lessee, to posted prices, and to other relevant matters and, whenever appropriate, after notice and opportunity to be heard.

(3) When paid in value, such royalties on production shall be due and payable monthly on the last day of the calendar month next following the calendar month in which produced. When paid in amount of production, such royalty products shall be delivered in merchantable condition on the premises where produced without cost to lessor, unless otherwise agreed to by the parties hereto, at such times and in such tanks provided by the lessee as reasonably may be required by the lessor, but in no case shall the lessee be required to hold such royalty oil or other products in storage beyond the last day of the calendar month next following the calendar month in which produced nor be responsible or held liable for the loss or destruction of royalty oil or other products in storage from causes over which he has no control.

(4) Rentals or minimum royalties may be waived, suspended or reduced or royalties on the entire leasehold or any portion thereof segregated for royalty purposes may be reduced if the Secretary of the Interior finds that, for the purpose of encouraging the greatest ultimate recovery of oil or gas and in the interest of conservation of natural resources, it is necessary, in his judgment, to do so in order to promote development, or because the lease cannot be successfully operated under the terms fixed herein.

(e) **Payments.**—Unless otherwise directed by the Secretary of the Interior, to make rental, royalty, or other payments to the lessor, to the order of the Bureau of Land Management at the places mentioned in the regulation 43 CFR 3102.2. If there is no well on the leased lands capable of producing oil or gas in paying quantities, the failure to pay rental on or before the anniversary date shall automatically terminate the lease by operation of law. However, if the time for payment falls on a day in which the proper office to receive payment is closed, payment shall be deemed timely if made on the next official working day.

(f) **Contracts for disposal of products.**—To file, with the Oil and Gas Supervisor of the Geological Survey not later than 30 days after the effective date thereof any contract, or evidence of other arrangement, for the sale or disposal of oil, gas, natural gasoline, and other products of the leased land; *Provided*, That nothing in any such contract or other arrangement shall be construed as modifying any of the provisions of this lease, including, but not limited to, provisions relating to gas waste, taking royalty in kind, and the method of computing royalties due as based on a minimum valuation and in accordance with the Oil and Gas Operating Regulations.

(g) **Statements, plats and reports.**—At such times and in such form as the lessor may prescribe, to furnish detailed statements showing the amounts and quality of all products removed and sold from the lease, the proceeds therefrom, and the amount used for production purposes or unavoidably lost, a plat showing development work and improvements on the leased lands, and a

and costs.

(h) **Well records.**—To keep a daily drilling record, a log, and complete information on all well surveys and tests in form acceptable to or prescribed by the lessor of all wells drilled on the leased lands, and an acceptable record of all subsurface investigations affecting said lands, and to furnish them, or copies thereof, to the lessor when required. All information obtained under this paragraph, upon the request of lessee, shall not be open to inspection by the public until the expiration of the lease.

(i) **Inspection.**—To keep open at all reasonable times for the inspection of any duly authorized officer of the Department, the leased premises and all wells, improvements, machinery, and fixtures thereon and all books, accounts, maps and records relative to operations and surveys or investigations on the leased lands or under the lease. All information obtained pursuant to any such inspection, upon the request of the lessee, shall not be open to inspection by the public until the expiration of the lease.

(j) **Diligence, prevention of waste, health and safety of workmen.**—To exercise reasonable diligence in drilling and producing the wells herein provided for unless consent to suspend operations temporarily is granted by the lessor, to carry on all operations in accordance with approved methods and practice as provided in the Oil and Gas Operating Regulations, having due regard for the prevention of waste of oil or gas or damage to deposits or formations containing oil, gas, or water or to coal measures or other mineral deposits, for conservation of gas energy, for the preservation and conservation of the property for future productive operations, and for the health and safety of workmen and employees, to plug properly and effectively all wells drilled in accordance with the provisions of this lease or of any prior lease or permit upon which the right to this lease was based before abandoning the same, to carry out at expense of the lessee all reasonable orders of the lessor relative to the matters in this paragraph, and that on failure of the lessee so to do the lessor shall have the right to enter on the property and to accomplish the purpose of such orders at the lessee's cost. *Provided*, That the lessee shall not be held responsible for delays or casualties occasioned by causes beyond lessee's control.

(k) **Taxes and wages, freedom of purchase.**—To pay when due all taxes lawfully assessed and levied under the laws of the State or the United States upon improvements, oil, and gas produced from the lands hereunder, or other rights, property, or assets of the lessee, to accord all workmen and employees complete freedom of purchase, and to pay all wages due workmen and employees at least twice each month in the lawful money of the United States.

(l) **Equal Opportunity clause.**—During the performance of this contract the lessee agrees as follows:

(1) The lessee will not discriminate against any employee or applicant for employment because of race, creed, color, or national origin. The lessee will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, creed, color, or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation, and selection for training, including apprenticeship. The lessee agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause.

(2) The lessee will, in all solicitations or advertisements for employees placed by or on behalf of the lessee state that all qualified applicants will receive consideration for employment without regard to race, creed, color, or national origin.

(3) The lessee will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer, advising the labor union or workers' representative of the lessee's commitments under Section 202 of Executive Order No. 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

(4) The lessee will comply with all provisions of Executive Order No. 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.

(5) The lessee will furnish all information and reports required by Executive Order No. 11246 of September 24, 1965, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the contracting agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

(6) In the event of the lessee's noncompliance with the nondiscrimination clauses of this contract or with any of such rules, regulations, or orders, this contract may be cancelled, terminated or suspended in whole or in part and the lessee may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order No. 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order No. 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor or as otherwise provided by law.

(7) The lessee will include the provisions of Paragraphs (1) through (7) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order No. 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The lessee will take such action with respect to any subcontract or purchase order as the contracting agency may direct as a means of enforcing such provisions including sanctions for noncompliance. *Provided, however*, That in the event the lessee becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the contracting agency, the lessee may request the United States to enter into such litigation to protect the interests of the United States.

(m) **Assignment of oil and gas lease or interest therein.**—As required by applicable law to file for approval by the lessor any instrument of transfer made of this lease or any interest therein, including assignments of record title, operating agreements and subleases, working or royalty interests, within 90 days from the date of final execution thereof.

(n) **Pipelines to purchase or convey at reasonable rates and without discrimination.**—If owner, or operator, or owner of a controlling interest in any pipeline or of any company operating the same which may be operated accessible to the oil or gas derived from lands under this lease, to accept and convey, and if a purchaser of such product to purchase at reasonable rates and without discrimination the oil or gas of the Government or of any citizen or company not the owner of any pipeline, operating a lease or purchasing or selling oil, gas, natural gasoline, or other products under the provisions of the act, or under the provisions of the act of August 7, 1947 (61 Stat. 913, 30 U.S.C. sec. 351).

(o) **Lands patented with oil and gas deposits reserved to the United States.**—To comply with all statutory requirements and regulations thereunder, if the lands embraced herein have been or shall hereafter be disposed of under the laws reserving to the United States the deposits of oil and gas therein, subject to such conditions as are or may hereafter be provided by the laws reserving such oil or gas.

(p) **Reserved or segregated lands.**—If any of the land included in this lease is embraced in a reservation or segregated for any particular purpose, to conduct operations thereunder in conformity with such requirements as may be made by the Director, Bureau of Land Management, for the protection and use of the land for the purpose for which it was reserved or segregated, so far as may be consistent with the use of the land for the purpose of this lease which latter shall be regarded as the dominant use unless otherwise provided herein or separately stipulated.

(q) **Protection of surface, natural resources, and improvements.** The lessee agrees to take such reasonable steps as may be needed to prevent operations on the leased lands from unnecessarily (1) causing or contributing to soil erosion or damaging crops, including forage, and timber growth thereon or on Federal or non-Federal lands in the vicinity, (2) polluting air and water, (3) damaging improvements owned by the United States or other parties, or (4) destroying, damaging or removing fossils, historic or prehistoric ruins, or artifacts and upon any partial or total relinquishment or the cancellation or expiration of this lease, or at any other time prior thereto when required and to

and other excavations, remove or cover all debris, and so far as reasonably possible, restore the surface of the leased land and access roads to their former condition, including the removal of structures as and if required. The lessor may prescribe the steps to be taken and restoration to be made with respect to the leased lands and improvements thereon whether or not owned by the United States. *Antiquities and objects of historic value.*—When American antiquities or other objects of historic or scientific interest including but not limited to historic or prehistoric ruins, fossils or artifacts are discovered in the performances of this lease, the item(s) or condition(s) will be left intact and immediately brought to the attention of the contracting officer or his authorized representative.

(r) **Overriding royalties.**—Not to create overriding royalties in excess of five percent except as otherwise authorized by the regulations.

(s) **Deliver premises in cases of forfeiture.**—To deliver up to the lessor in good order and condition the land leased including all improvements which are necessary for the preservation of producing wells.

### Sec. 3. The lessor reserves

(a) **Easements and rights-of-way.**—The right to permit for joint or several use easements or rights of way, including easements in tunnels upon, through, or in the lands leased, occupied, or used as may be necessary or appropriate to the working of the same or of other lands containing the deposits described in the act, and the treatment and shipment of products thereof by or under authority of the Government, its lessees or permittees, and for other public purposes.

(b) **Disposition of surface.**—The right to lease, sell, or otherwise dispose of the surface of the leased lands under existing law or laws hereafter enacted insofar as said surface is not necessary for the use of the lessee in the extraction and removal of the oil and gas therein, or to dispose of any resource in such lands which will not unreasonably interfere with operations under this lease.

(c) **Monopoly and fair prices.**—Full power and authority to promulgate and enforce all orders necessary to insure the sale of the production of the leased lands to the United States and to the public at reasonable prices, to protect the interests of the United States, to prevent monopoly, and to safeguard the public welfare.

(d) **Helium.**—Pursuant to Section 1 of the act as amended, the ownership of helium and the right to extract or have it extracted from all gas produced under this lease, subject to such rules and regulations as shall be prescribed by the Secretary of the Interior. If the lessor elects to take the helium, the lessee shall deliver all or any portion of gas containing the same to the lessor, in the manner required by the lessor, at any point on the leased premises, or, if the area is served at the time of production by a gas gathering system owned or operated by the lessee, at any point in that system specified by the lessor, for extraction of the helium by such means as the lessor may provide. The residue shall be returned to the lessee, with no substantial delay in the delivery of the gas produced from the well to the owner or purchaser thereof. Save for the value of the helium extracted, the lessee shall not suffer a diminution of the value of the gas produced from the well, or loss otherwise, including any expense caused solely by the requirement of the delivery of the gas to permit the extraction of helium, for which he is not reasonably compensated. The lessor reserves the right to erect, maintain, and operate any and all reduction works necessary for extraction of helium on the leased premises. The lessee further agrees to include in any contract of sale of gas from the lands subject to this lease provisions setting forth that the lessor owns, and reserves the right to extract or have extracted, any helium in the gas sold, and that the lessor may take the gas from a pipeline carrier or any other gas gathering system and extract the helium and return the gas to the owner thereof, without delay other than that caused by the extraction process; save for the value of the helium, the owner shall not suffer any diminution of the value of the gas from which helium has been extracted, or any other loss arising from the extraction of helium, including any expense caused solely by the requirement of the delivery of the gas to permit the extraction of helium, for which he is not reasonably compensated. It is further agreed that any rights reserved vested in the lessor under this paragraph shall also run to any agent or assignee of the lessor or any purchaser of the rights of the lessor.

(e) **Taking of royalties.**—All rights pursuant to section 36 of the act to take royalties in amount or in value of production.

(f) **Casing.**—All rights pursuant to section 40 of the act to purchase casing, and lease or operate valuable water wells.

**Sec. 4. Drilling and producing restrictions.**—It is agreed that the rate of prospecting and developing and the quantity and rate of production from the lands covered by this lease shall be subject to control in the public interest by the Secretary of the Interior, and in the exercise of his judgment the Secretary may take into consideration, among other things, Federal laws, State laws, and regulations issued thereunder, or lawful agreements among operators regulating either drilling or production, or both. After utilization, the Secretary of the Interior, or any person, committee, or State or Federal officer or agency so authorized in the unit plan, may alter or modify from time to time, the rate of prospecting and development and the quantity and rate of production from the lands covered by this lease.

**Sec. 5. Surrender and termination of lease.**—The lessee may surrender this lease or any legal subdivision thereof by filing in the proper land office a written relinquishment, in triplicate, which shall be effective as of the date of filing subject to the continued obligation of the lessee and his surety to make payment of all accrued rentals and royalties and to place all wells on the land to be relinquished in condition for suspension or abandonment in accordance with the applicable lease terms and regulations.

**Sec. 6. Purchase of materials, etc., on termination of lease.**—Upon the expiration of this lease, or the earlier termination thereof pursuant to the last preceding section, the lessee shall have the privilege at any time within a period of 90 days thereafter of removing from the premises all machinery, equipment, tools, and materials other than improvements needed for producing wells. Any materials, tools, appliances, machinery, structures, and equipment subject to removal as above provided, which are allowed to remain on the leased lands shall become the property of the lessor on expiration of the 90-day period or such extension thereof as may be granted because of adverse climatic conditions throughout said period; *Provided*, That the lessee shall remove any or all of such property where so directed by the lessor.

**Sec. 7. Proceedings in case of default.**—If the lessee shall not comply with any of the provisions of the act or the regulations thereunder or of the lease, or shall make default in the performance or observance of any of the terms hereof (except that of payment of annual rental which results in the automatic termination of the lease), and such default shall continue for a period of 30 days after service of written notice thereof by the lessor, this lease may be canceled by the Secretary of the Interior in accordance with section 31 of the act, except that if this lease covers lands known to contain valuable deposits of oil or gas, the lease may be canceled only by judicial proceedings in the manner provided in section 31 of the act, but this provision shall not be construed to prevent the exercise by the lessor of any legal or equitable remedy which the lessor might otherwise have. Upon cancellation of this lease, any casing, material, or equipment determined by the lessor to be necessary for use in plugging or preserving any well drilled on the leased land shall become the property of the lessor. A waiver of any particular cause of cancellation and forfeiture shall not prevent the cancellation and forfeiture of this lease for any other cause of cancellation and forfeiture, or for the same cause occurring at any other time.

**Sec. 8. Heirs and successors-in-interest.**—It is further agreed that each obligation hereunder shall extend to and be binding upon, and every benefit hereof shall inure to, the heirs, executors, administrators, successors, or assigns of the respective parties hereto.

**Sec. 9. Unlawful interest.**—It is also further agreed that no Member of, or Delegate to, Congress, or Resident Commissioner, after his election or appointment, or either before or after he has qualified and during his continuance in office, and that no officer, agent, or employee of the Department of the Interior, except as provided in 43 CFR 74(e)(1), shall be admitted to any share or part in this lease or derive any benefit that may arise therefrom, and the provisions of Sec. 3741 of the Revised Statutes of the United States, as amended (41 U.S.C. sec. 22) and Secs. 431, 432, and 433, Title 18 U.S.C., relating to contracts, enter into and form a part of this



(Canadian County)

T. 10 N., R. 8 W.

Sec. 1: Accretion and riparian rights to Lot 5,  
described by metes and bounds as follows:

Beginning at the meander corner of secs. 1 and 2 on the 1873 left bank  
of Canadian River, identical to the southwest corner of lot 5;

Thence S.  $35^{\circ}20'$  W., 20.35 chs. distance to a proportioned point on the  
1970 left bank of the river;

Thence S.  $57^{\circ}20'$  W., perpendicular to the medial line of river, 5.25  
chs. distance to the medial line;

Thence along the medial line, S.  $32^{\circ}40'$  E., 8.10 chs. distance, S.  $53^{\circ}15'$  E.,  
10.45 chs. distance to a point;

NM-20396

Canadian County, Oklahoma  
(296.05 acres)

T. 10 N. - R. 8 W.

Section 1: Accretion & riparian rights to  
lot 5 (11.51 ac.).

Sec. 2: Accretion & riparian rights to  
lot 1 (4.45 ac.), to lot 2 (21.03 ac.),  
and to lot 3 (39.19 ac.).

T. 11 N. - R. 8 W.

Sec. 3: Accretion & riparian rights to  
the remaining portion of  
lot 3 (43.07 ac.), and to  
lot 4 (14.96 ac.).

Sec. 4: Accretion & riparian rights  
to lot 1 (34.79 ac.) & to the  
remaining portion of lot 2 (11.24 ac.).

Sec. 5: Accretion & riparian rights  
to lot 2 (21.03 ac.) & to the  
remaining portion of lot 3 (18.16 ac.).

Sec. 6: Accretion & riparian rights  
to lot 3 (39.19 ac.) & to the  
remaining portion of lot 4 (11.24 ac.).

Sec. 7: Accretion & riparian rights  
to lot 4 (14.96 ac.) & to the  
remaining portion of lot 5 (11.51 ac.).

Thence along the medial line, S.  $32^{\circ}40'$  E., 8.10 chs. distance, S.  $53^{\circ}15'$  E.,  
11.00 chain an angle point, N.  $29^{\circ}45'$  W., 3.50 chs. to a point;

Thence S.  $59^{\circ}35'$  W., perpendicular to the medial line of the Canadian  
River, 1.70 chs. distance to the medial line;

Thence S.  $30^{\circ}25'$  E., along the medial line, 27.90 chs. distance to a point;

Thence N.  $59^{\circ}35'$  E., perpendicular to the medial line, 5.10 chs. distance  
to a proportioned point on the 1970 left bank of river;

Thence N.  $37^{\circ}35'$  E., 8.85 chs. distance to the point of beginning, con-  
taining 21.03 acres of land, more or less.

line, 4.20 chs. distance  
Canadian River;

southernmost corner of

bank, N.  $54^{\circ}30'$  W., 18.70  
to the point of beginning,

riparian rights to Lot 1,  
3:

on the 1873 left bank of the  
of secs. 1 and 2 on the left

proportioned point on the

1 line of the river, 5.10

0 chs. distance to a point;

1 line of the river, 5.05  
70 left bank of the river;

southwestern corner of

ie of the left bank, 3.05  
ining 4.45 acres of land,

riparian rights to Lot 2,  
3:

on the 1873 left bank of  
of secs. 1 and 2 on the  
nce;

bank, N.  $55^{\circ}00'$  W., 9.90  
e; N.  $67^{\circ}15'$  W., at 5.80  
eft bank of river, at



(Cont'd)

T. 10 N., R. 8 W. (Cont'd)

Sec. 2: Accretion and riparian rights to Lot 3, described by metes and bounds as follows:

Beginning at the meander corner of secs. 1 and 2 on the 1873 left bank of Canadian River, identical with the southernmost corner of lot 3;

Thence along the 1873 meander line of left bank, N.  $77^{\circ}30'$  W., 8.00 chs. distance; N.  $59^{\circ}30'$  W., 5.00 chs. distance; N.  $43^{\circ}00'$  W., 4.50 chs. distance; N.  $55^{\circ}00'$  W., 3.00 chs. distance to the westernmost corner of lot 3;

Thence S.  $38^{\circ}15'$  W., 10.00 chs. distance to a proportioned point on the 1970 left bank of Canadian River;

Thence S.  $57^{\circ}20'$  W., perpendicular to the medial line of the river, 5.05 chs. distance to the medial line;

Thence S.  $32^{\circ}40'$  E., along the medial line, 21.65 chs. distance to a point;

Thence N.  $57^{\circ}20'$  E., perpendicular to the medial line, 5.25 chs. distance to a proportioned point on the 1970 left bank of the river;

Thence N.  $35^{\circ}20'$  E., 20.35 chs. distance to the point of beginning, containing 39.19 acres of land, more or less.

T. 11 N., R. 8 W.

Sec. 28: Accretion and riparian rights to the remaining portion of Lot 3, exclusive of the eroded portion of the lot, described by metes and bounds as follows:

Beginning at the southern corner of lot 3 on the 1873 left bank of Canadian River, from which the meander corner of secs. 27 and 28 on the left bank bears S.  $54^{\circ}15'$  E., 28.00 chs. distance;

Thence along the 1873 meander line of the left bank N.  $47^{\circ}00'$  W., 4.25 chs. distance; N.  $38^{\circ}30'$  W., 14.10 chs. distance; N.  $71^{\circ}30'$  W., 6.00 chs. distance to a western corner of lot 3;

Thence N.  $3^{\circ}35'$  W., along the west boundary of lot 3, 4.00 chs. distance to the northwest corner of the lot;

Thence West, perpendicular to the medial line of the river, 4.40 chs. distance to the medial line;

Thence along the medial line, South, 13.95 chs. distance; S.  $16^{\circ}25'$  W., 17.80 chs. distance to a point;

Thence S.  $73^{\circ}35'$  E., perpendicular to the previous course, 3.90 chs. distance to a proportioned point on the 1970 left bank of the river;

Thence N.  $62^{\circ}30'$  E., 26.55 chs. distance to the point of beginning, containing 43.01 acres of land, more or less.

Sec. 28: Accretion and riparian rights to lot 4, described by metes and bounds as follows:

Beginning at the meander corner of secs. 27 and 28 on the 1873 left bank of the Canadian River;

Thence along the 1873 meander line, N.  $62^{\circ}30'$  W., 3.40 chs. distance; N.  $58^{\circ}15'$  W., 12.00 chs. distance; N.  $47^{\circ}00'$  W., 12.70 chs. distance to the westernmost corner of lot 4;

Thence S.  $62^{\circ}30'$  W., 26.55 chs. distance to a proportioned point on the 1970 left bank of the Canadian River;

Thence N.  $73^{\circ}35'$  W., perpendicular to the medial line of the river, 3.90 chs. distance to the medial line;



(Cont'd)

T. 11 N., R. 8 W.

Sec. 28: Accretion and riparian rights to lot 4,

(Cont'd)

Thence along the medial line, S.  $36^{\circ}30'$  W., 13.30 chs. distance;  
S.  $18^{\circ}45'$  W., 9.45 chs. distance; S.  $10^{\circ}00'$  E., 16.75 chs. distance;  
S.  $35^{\circ}50'$  E., 5.00 chs. distance to a point;

Thence N.  $54^{\circ}10'$  E., perpendicular to the medial line of the river,  
9.50 chs. distance to a proportioned point on the 1970 left bank of  
the river;

Thence N.  $58^{\circ}10'$  E., 55.51 chs. distance to the point of beginning,  
containing 149.64 acres of land, more or less.

Sec. 35: Accretion and riparian rights to Lot 1,  
described by metes and bounds as follows:

Beginning at the meander corner of secs. 34 and 35 on the 1873 left bank  
of Canadian River, identical to the west corner of lot 1;

Thence with a portion of the 1873 meanders, N.  $79^{\circ}15'$  W., 6.75 chs.  
distance; N.  $50^{\circ}00'$  W., .90 chs. distance to a point;

Thence N.  $76^{\circ}35'$  W., 10.90 chs. distance to a proportioned point on the  
1970 left bank of the Canadian River;

Thence S.  $48^{\circ}55'$  W., perpendicular to the medial line of river, 5.05 chs.  
distance to the medial line;

Thence along the medial line, S.  $41^{\circ}05'$  E., 6.35 chs. distance; S.  $29^{\circ}50'$  E.,  
9.50 chs. distance; S.  $40^{\circ}15'$  E., 9.20 chs. distance to a point;

Thence N.  $49^{\circ}45'$  E., perpendicular to the medial line, 5.05 chs. distance  
to a proportioned point on the 1970 left bank of Canadian River;

Thence S.  $84^{\circ}40'$  E., 12.90 chs. distance to the southwestern corner of  
lot 1;

Thence along the 1873 meander line of the left bank, N.  $2^{\circ}15'$  W., .65 chs.  
distance; N.  $31^{\circ}00'$  W., 19.00 chs. distance to the point of beginning,  
containing 37.99 acres of land, more or less.

Sec. 35: Accretion and riparian rights to the re-  
maining portion of Lot 2, described by metes and bounds as follows:

Beginning at the northwest corner of lot 2 on the 1873 left bank of Canadian  
River, from which the meander of secs. 34 and 35 on the left bank bears,  
N.  $28^{\circ}45'$  W., 20.20 chs. distance;

Thence N.  $84^{\circ}40'$  W., 12.90 chs. distance to a proportioned point on the  
1970 left bank of Canadian River;

Thence S.  $49^{\circ}45'$  W., perpendicular to the medial line of the river, 5.05  
chs. distance to the medial line;

Thence along the medial line, S.  $40^{\circ}15'$  E., 3.40 chs. distance; S.  $52^{\circ}30'$  E.,  
14.00 chs. distance; S.  $47^{\circ}40'$  E., 11.55 chs. distance to a point;

Thence N.  $42^{\circ}20'$  E., perpendicular to the medial line of the river, 5.40  
chs. distance to intersection of the 1873 meander line;

Thence along the 1873 meander line N.  $27^{\circ}30'$  W., at 3.00 chs. distance  
on this course intersect left bank of river, N.  $40^{\circ}30'$  W., 11.00 chs.  
distance; N.  $2^{\circ}15'$  W., 5.95 chs. distance to the point of beginning,  
containing 23.24 acres of land, more or less.



(Cont'd)

T. 11 N., R. 8 W.

Sec. 35: Riparian rights to the remaining portion of Lot 3, exclusive of those eroded portions of 2, 3, and 4 described by metes and bounds as follows:

Beginning at a point on the 1873 meander line of the left bank of Canadian River, from which the meander corner of secs. 34 and 35 on the left bank of the river bears N.  $28^{\circ}00'$  W., 39.60 chs. distance and the 1970 southwest corner of lot 3 bears N.  $42^{\circ}20'$  E., 1.80 chs. distance;

Thence S.  $42^{\circ}20'$  W., perpendicular to the medial line of the Canadian River, 5.45 chs. distance to the medial line;

Thence S.  $47^{\circ}40'$  E., along the medial line, 5.05 chs. distance to a point;

Thence N.  $42^{\circ}20'$  E., 4.70 chs. distance to intersection of the 1873 meander line of the left bank Canadian River, from which the 1970 southwest corner of lot 3 bears N.  $42^{\circ}20'$  E., 1.50 chs. distance;

Thence along the 1873 meander line of the left bank, N.  $46^{\circ}45'$  W., 3.25 chs. distance; N.  $27^{\circ}30'$  W., 1.90 chs. distance to the point of beginning, containing 2.44 acres of land, more or less.

Sec. 35: Riparian rights to the remaining portion of Lot 4, exclusive of the eroded portion of the original lot, described by metes and bounds as follows:

Beginning at a point on the 1873 meander line of the left bank Canadian River, from which the meander corner of secs. 34 and 35 bears N.  $29^{\circ}50'$  W., 44.70 chs. distance and the northwest corner of lot 4 bears N.  $46^{\circ}45'$  W., 1.20 chs. distance;

Thence S.  $42^{\circ}20'$  W., perpendicular to the medial line of the Canadian River, 4.80 chs. distance to the medial line;

Thence along the medial line, S.  $47^{\circ}40'$  E., 3.90 chs. distance; S.  $46^{\circ}30'$  E., 14.00 chs. distance to intersection of the 1873 meander line;

Thence along the 1873 meander line, N.  $26^{\circ}00'$  W., 13.05 chs. distance; N.  $46^{\circ}45'$  W., 5.75 chs. distance to the point of beginning, containing 5.55 acres of land, more or less.

398.05 TOTAL ACRES



UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

SURFACE DISTURBANCE STIPULATIONS

Area Oil and Gas Supervisor or  
District Engineer (Address, include zip code)

U. S. GEOLOGICAL SURVEY  
4562 NEW FEDERAL BUILDING  
333 W. FOURTH STREET  
TULSA, OKLAHOMA 74103

Management Agency (name)

DISTRICT MANAGER  
BUREAU OF LAND MANAGEMENT  
3550 PAN AMERICAN FREEWAY, NE  
ALBUQUERQUE, NEW MEXICO 87107

Address (include zip code)

1 Notwithstanding any provision of this lease to the contrary, any drilling, construction, or other operation on the leased lands that will disturb the surface thereof or otherwise affect the environment, hereinafter called "surface disturbing operation," conducted by lessee shall be subject, as set forth in this stipulation, to prior approval of such operation by the Area Oil and Gas Supervisor in consultation with appropriate surface management agency and to such reasonable conditions, not inconsistent with the purposes for which this lease is issued, as the Supervisor may require to protect the surface of the leased lands and the environment.

2 Prior to entry upon the land or the disturbance of the surface thereof for drilling or other purposes, lessee shall submit for approval two (2) copies of a map and explanation of the nature of the anticipated activity and surface disturbance to the District Engineer or Area Oil and Gas Supervisor, as appropriate, and will also furnish the appropriate surface management agency named above, with a copy of such map and explanation.

An environmental analysis will be made by the Geological Survey in consultation with the appropriate surface management agency for the purpose of assuring proper protection of the surface, the natural resources, the environment, existing improvements, and for assuring timely reclamation of disturbed lands.

3 Upon completion of said environmental analysis, the District Engineer or Area Oil and Gas Supervisor, as appropriate, shall notify lessee of the conditions, if any, to which the proposed surface disturbing operations will be subject

Said conditions may relate to any of the following:

- (a) Location of drilling or other exploratory or developmental operations or the manner in which they are to be conducted,
- (b) Types of vehicles that may be used and areas in which they may be used; and
- (c) Manner or location in which improvements such as roads, buildings, pipelines, or other improvements are to be constructed.



UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

Special Stipulation - Oil and Gas Lease NM 20396 (Okla)

No payment or other consideration will be made to other users, licensees, permittees or lessees for any damage to or loss of natural vegetation, wildlife, mineral material, or for soil disturbance occurring on national resource lands, which result from operation, development or construction activities carried out under the authority of this oil and gas lease.



ADDITIONAL SPECIAL STIPULATIONS

All drilling operations occurring in any active stream or river or adjacent flood plain, shall be conducted in such manner as to prevent on-site or downstream pollution.

1. Closed tanks will be used for reserve and mud pits only.
2. Refuse must be cleaned and hauled from the site daily to prevent downstream littering in case of flash flooding.



**UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
INSPECTION RECORD - PRODUCTION**

Resource Area: <b>NM0400</b>	Township: <b>10N</b>	Range: <b>8W</b>	Section: <b>2</b>
Class: <b>O&amp;G Lease - Simultaneous Drawing - PD</b>	Meridian: <b>IND</b>	1/4 1/4: <b>SWSE</b>	Latitude: <b>35.36394</b>
Inspection Item IID: <b>OKNM20396</b>	County: <b>GRADY</b>	State: <b>OK</b>	Longitude: <b>-98.0157</b>
Lease Name: <b>PUBLIC DOMAIN</b>	Indian Agency:	Lease Status: <b>HELD BY PROD ACT</b>	Hazard: <b>NO</b>
Operator: <b>CIMAREX ENERGY COMPANY</b>	Mineral Ownership Percent: <b>100.0</b>	Status Date: <b>08/28/2017</b>	Royalty: <b>FIXED</b>

Contract:	Remarks: <b>46.74 acres of Federal lease OKNM 020396 are committed to Communitization Agreement</b>				
PR Year: <b>2018</b>	Overall Pri: <b>H</b>	Inspection Type: <b>P1</b>	Inspector: <b>Lee, Whiteshield</b>	Open Date: <b>5-17-18</b>	Close Date: <b>5-22-18</b>

ACTIVITY CODE	OPEN DATE	CLOSE DATE	NUMBER WELLS INSPECTED	NUMBER FACILITIES INSPECTED	OFFICE TIME	TRAVEL TIME	INSPECTED TIME	TRIPS	SOURCE
<b>SS</b>	<b>5-17-18</b>	<b>5-18-18</b>		<b>1</b>			<b>.5</b>	<b>1</b>	
	REFERRALS	OIL OVER REPORTED	OIL UNDER REPORTED	OIL ACCOUNTED FOR		GAS OVER REPORTED	GAS UNDER REPORTED	GAS ACCOUNTED FOR	

**PURCHASER CONTRACTOR**

ACTIVITY CODE	OPEN DATE	CLOSE DATE	NUMBER WELLS INSPECTED	NUMBER FACILITIES INSPECTED	OFFICE TIME	TRAVEL TIME	INSPECTED TIME	TRIPS	SOURCE
<b>RR</b>	<b>5-17-18</b>	<b>5-22-18</b>	<b>1</b>	<b>1</b>	<b>15</b>				
	REFERRALS	OIL OVER REPORTED	OIL UNDER REPORTED	OIL ACCOUNTED FOR		GAS OVER REPORTED	GAS UNDER REPORTED	GAS ACCOUNTED FOR	

**PURCHASER CONTRACTOR**

ACTIVITY CODE	OPEN DATE	CLOSE DATE	NUMBER WELLS INSPECTED	NUMBER FACILITIES INSPECTED	OFFICE TIME	TRAVEL TIME	INSPECTED TIME	TRIPS	SOURCE
<b>MC</b>	<b>5-18-18</b>	<b>5-18-18</b>		<b>1</b>			<b>1.5</b>	<b>1</b>	
	REFERRALS	OIL OVER REPORTED	OIL UNDER REPORTED	OIL ACCOUNTED FOR		GAS OVER REPORTED	GAS UNDER REPORTED	GAS ACCOUNTED FOR	

**PURCHASER CONTRACTOR**

<b>GENERAL</b>		INSPECTED	VIOLATION
1. Identification Satisfactory (per 43 CFR 3162.6)		<b>X</b>	
A. Tanks		↓	
B. Facilities		↓	
C. Wells		↓	
2. Well Equipment Satisfactory		↓	
3. Environmental Protection Satisfactory (per 43 CFR 3162.3-1, 3162.5-1, 3162.7-1, and NTL's 2-B and 3-A)		↓	
A. Water Disposal <b>W.O. 18CL004 - need to submit Sunday for water trucked off lease</b>		N/A	<b>X</b>
1. Pits		↓	
2. Subsurface		↓	
B. Surface Use		↓	
C. Undesirable		↓	



ACTIVITY CODE	OPEN DATE	CLOSE DATE	NUMBER WELLS INSPECTED	NUMBER FACILITIES INSPECTED	OFFICE TIME	TRAVEL TIME	INSPECTED TIME	TRIPS	SOURCE
OP	5-18-18	5-18-18		1			.5	1	
	REFERRALS	OIL OVER REPORTED	OIL UNDER REPORTED	OIL ACCOUNTED FOR		GAS OVER REPORTED	GAS UNDER REPORTED	GAS ACCOUNTED FOR	

PURCHASER CONTRACTOR

ACTIVITY CODE	OPEN DATE	CLOSE DATE	NUMBER WELLS INSPECTED	NUMBER FACILITIES INSPECTED	OFFICE TIME	TRAVEL TIME	INSPECTED TIME	TRIPS	SOURCE
GS	5-18-18	5-18-18		1			.5	1	
	REFERRALS	OIL OVER REPORTED	OIL UNDER REPORTED	OIL ACCOUNTED FOR		GAS OVER REPORTED	GAS UNDER REPORTED	GAS ACCOUNTED FOR	

PURCHASER CONTRACTOR

ACTIVITY CODE	OPEN DATE	CLOSE DATE	NUMBER WELLS INSPECTED	NUMBER FACILITIES INSPECTED	OFFICE TIME	TRAVEL TIME	INSPECTED TIME	TRIPS	SOURCE
HS	5-18-18	5-18-18	1	1			.5	1	
	REFERRALS	OIL OVER REPORTED	OIL UNDER REPORTED	OIL ACCOUNTED FOR		GAS OVER REPORTED	GAS UNDER REPORTED	GAS ACCOUNTED FOR	

PURCHASER CONTRACTOR

ACTIVITY CODE	OPEN DATE	CLOSE DATE	NUMBER WELLS INSPECTED	NUMBER FACILITIES INSPECTED	OFFICE TIME	TRAVEL TIME	INSPECTED TIME	TRIPS	SOURCE
SP	5-18-18	5-18-18	1	1			.5	1	
	REFERRALS	OIL OVER REPORTED	OIL UNDER REPORTED	OIL ACCOUNTED FOR		GAS OVER REPORTED	GAS UNDER REPORTED	GAS ACCOUNTED FOR	

PURCHASER CONTRACTOR

#### Report Creation Parameters

Inspection in History: BETWEEN 10/01/2016 AND 09/30/2018  
 Well/Facility Grouping: All Wells then All Facilities  
 Print NOS and APD: NO  
 Print ABD Wells: NO  
 Print P+A and RLOC Wells: NO  
 Print INCs: INCs at End  
 Print Approvals: Approvals at End  
 Well/Facility Sort: API/Fac ID  
 Approval Sort: Date then Type



ACTIVITY CODE	OPEN DATE	CLOSE DATE	NUMBER WELLS INSPECTED	NUMBER FACILITIES INSPECTED	OFFICE TIME	TRAVEL TIME	INSPECTED TIME	TRIPS	SOURCE
CV	5-18-18	5-22-18		1	1	2.2	1	1	
	REFERRALS	OIL OVER REPORTED	OIL UNDER REPORTED	OIL ACCOUNTED FOR		GAS OVER REPORTED	GAS UNDER REPORTED	GAS ACCOUNTED FOR	

PURCHASER CONTRACTOR *One OK*

ACTIVITY CODE	OPEN DATE	CLOSE DATE	NUMBER WELLS INSPECTED	NUMBER FACILITIES INSPECTED	OFFICE TIME	TRAVEL TIME	INSPECTED TIME	TRIPS	SOURCE
	REFERRALS	OIL OVER REPORTED	OIL UNDER REPORTED	OIL ACCOUNTED FOR		GAS OVER REPORTED	GAS UNDER REPORTED	GAS ACCOUNTED FOR	

PURCHASER CONTRACTOR

ACTIVITY CODE	OPEN DATE	CLOSE DATE	NUMBER WELLS INSPECTED	NUMBER FACILITIES INSPECTED	OFFICE TIME	TRAVEL TIME	INSPECTED TIME	TRIPS	SOURCE
	REFERRALS	OIL OVER REPORTED	OIL UNDER REPORTED	OIL ACCOUNTED FOR		GAS OVER REPORTED	GAS UNDER REPORTED	GAS ACCOUNTED FOR	

PURCHASER CONTRACTOR

ACTIVITY CODE	OPEN DATE	CLOSE DATE	NUMBER WELLS INSPECTED	NUMBER FACILITIES INSPECTED	OFFICE TIME	TRAVEL TIME	INSPECTED TIME	TRIPS	SOURCE
	REFERRALS	OIL OVER REPORTED	OIL UNDER REPORTED	OIL ACCOUNTED FOR		GAS OVER REPORTED	GAS UNDER REPORTED	GAS ACCOUNTED FOR	

PURCHASER CONTRACTOR

#### Report Creation Parameters

Inspection in History: BETWEEN 10/01/2016 AND 09/30/2018  
 Well/Facility Grouping: All Wells then All Facilities  
 Print NOS and APD: NO  
 Print ABD Wells: NO  
 Print P+A and RLOC Wells: NO  
 Print INCs: INCs at End  
 Print Approvals: Approvals at End  
 Well/Facility Sort: Location  
 Approval Sort: Date then Type



LIQUID HYDROCARBONS PRODUCTION (per Order No. 4)			INSPECTED	VIOLATION
4. Liquid Handling Equipment Satisfactory			X	
A. Bypass Around Measurement Point			X	
5. Measurement Satisfactory (attach Run Ticket, Proving Report, 3160-16, or 3160-17)			X	
A. Tank Gauging: <input type="checkbox"/> Truck <input type="checkbox"/> Pipeline <input type="checkbox"/> Top Gauge <input type="checkbox"/> Temp <input type="checkbox"/> Gravity <input type="checkbox"/> S&W <input type="checkbox"/> Bottom Gauge <input type="checkbox"/> Temp			N/A	
1. Performed (attach volume calculations)				
2. Witnessed				
B. LACT Proving Witnessed: Previous Factor <input type="checkbox"/> New Factor <input type="checkbox"/> (attach proving report)				
<b>NATURAL GAS PRODUCTION (per Order No. 5)</b>				
6. Gas Handling Equipment Satisfactory			X	
A. Bypass Around Measurement Point				
7. Type of Production: <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Casing Head				
8. Measurement Satisfactory (attach appropriate forms)				
A. Volume Calculation Performed (attach calculations)				
B. Meter Calibration Witnessed Orifice <input type="checkbox"/> Pipe ID <input type="checkbox"/> Beta Ratio <input type="checkbox"/>				
9. Meter Type <u>EFM</u> Meter Station No. <u>WT11743</u> Enclosure Type <input type="checkbox"/>				
<b>SITE SECURITY (per 43 CFR 3162.7-5, Order No. 3)</b>				
10. Facility Diagram (Onsite Verification) <u>W.O. 18CL003 - Need to submit SFD via Sundry Notice.</u>				X
A. Diagram Accurate				
B. Facilities Adequately Sealed: <input type="checkbox"/> Sales Phase <input checked="" type="checkbox"/> Production Phase			X	
11. LACT			N/A	
A. Components Complete				
B. Sealed to Minimum Standards				
12. Seal Record				
A. Maintained by Operator				
B. Current				
C. Seal Record				
<b>SAFETY (per 43 CFR 3162.5-3, Order No. 6)</b>				
13. H2S			X	
A. Hazard				
1. PPM <u>6</u> Ambient <input type="checkbox"/> STV <input type="checkbox"/>				
B. Operating Requirements Met				
C. Public Protection Plan <input type="checkbox"/> Required <input type="checkbox"/> Available <input type="checkbox"/>				
<b>RECORDS REVIEW</b>		<b>REVIEW PERIOD DATES</b>		
14. Production/Measurement Records (per Order No. 4 & 5)		FROM	TO	
A. Internal Records (attach any independent calculations)		2017-08	2018-02	X
1. MMS 3160 (MRO)				
2. LACT Meter Proving Report				
3. Gas Meter Calibration Report				X
B. External Records (attach any independent calculations)				N/A
1. Run Tickets / LACT print-outs				
2. Pipeline Run Statement				
3. Pumpers Log				
4. Seal Records				
a. LACT				
b. Facility				
5. Purchasers Gas Volume Sales Reports				
6. Chart Integration Reports				
7. Methods Used to Estimate Volumes of Gas Flared/Vented				
8. Methods Used to Estimate Volumes of Gas or Oil Lost/Used on Lease				
<b>OTHER</b>				
15. Royalty Rate Determination (per 43 CFR 3162.7-4)				
16. Transporter Manifest Review (per CFR 3162.7-1)				
REMARKS				



INSPECTION HISTORY FOR FISCAL YEAR									
INSPECTOR	OPEN DATE	CLOSED DATE	INSP TYPE	INSP ACTY	WELL INSP	FAC INSP	INSP TIME	TRAV TIME	OFFICE TIME
LEE	05/17/2018	5-22-18	PI	RR	1				0.5
SHUMARD	04/25/2017	05/03/2017	DW	HS	1		0.6	2.2	2.3
SHUMARD	04/25/2017	05/03/2017	DW	NI	1		1.9		3.9
SHUMARD	04/25/2017	05/03/2017	DW	SD	1		1.3	2.2	1.8



# WELL COMPLETION AND FACILITY RECORD(S)

API No: <b>350512411700S1</b>	Qtr/Qtr/Lot: <b>SWSE</b>	Oil: <b>A</b>	Status: <b>POW</b>	Footages: <b>2410FEL 235FSL</b>	CMZ: <b>N/A</b>	NOC: <b>SI</b>
Well No: <b>1H-0235X</b>	Section: <b>2</b>	Gas: <b>A</b>	Tract No:	P Zone: <b>WOODFORD</b>	FP: <b>UNKNOWN</b>	
Well Name: <b>HINES FEDERAL</b>	Township: <b>10N (35.36394)</b>	H2O: <b>A</b>	P Method: <b>FLO</b>	SME: <b>FEE</b>	County: <b>GRADY</b>	State: <b>OK</b>
Lse CA No: <b>OKNM20396</b>	Range: <b>8W ( 98.01570)</b>	CO2:	D Method: <b>T</b>	Lease Type: <b>PUBLIC</b>	Well Type:	
Inspection Date: <b>5-18-18</b>	Spud Date: <b>04/26/2017</b>	Completion Date: <b>08/26/2017</b>				
Plugging Date:	Site Restoration Date:	Status Change Date: <b>08/26/2017</b>				
Production Data as of Month: <b>2018-02</b>	No. Days Produced: <b>28</b>	Oil: <b>18260</b>	Gas: <b>119280</b>	Water: <b>7152</b>		

Remarks:



## APPROVAL RECORD(S)

Approval Type:

OTHER - Other Sundry Notice NOI

Approval Date:

04/20/2017

Well(s):

350512411700S1 HINES FEDERAL 1H-0235X

Cimarex Energy Co. respectfully requests a variance to the conditions of approval to run logs on the Hines Federal 1H-0235X. Attached please find an area map exhibiting adequate log coverage. Engr.. review and discuss with Geologist and Approved by EGF on 04/20/2017



**INSPECTION PRIORITY(S)**

YEAR	RANK	FREQ	PROD	ENV	HEALTH SAFETY	OTHER RESRC	LEGAL	OPER COMP	OVL PRI	IID STAT	AVG MTH OIL	PROD GAS
2018									H	H	0	0

Remarks: Elevated to high for new well. Witness initial meter calibration.



☒ Certified Mail - Return  
Receipt Requested  
70172400000041604976

**UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
NOTICE OF WRITTEN ORDER**

IDENTIFICATION	
ID	
Lease	OKNM20396
CA	
Unit	
PA	

Bureau of Land Management Office <b>OKLAHOMA FIELD OFFICE</b>				Operator <b>CIMAREX ENERGY COMPANY</b>			
Address <b>201 STEPHENSON PKWY, STE 1200 NORMAN OK 73072</b>				Address <b>202 S CHEYENNE AVE STE 1000 TULSA OK 74103-4311</b>			
Telephone <b>405-579-7159</b>				Attention			
Inspector <b>LEE</b>				Attn Addr			
Site Name <b>HINES FEDERAL 1H-0235X</b>	Well/Facility/FMP <b>A</b>	1/4 1/4 Section <b>SWSE 2</b>	Township <b>10N</b>	Range <b>8W</b>	Meridian <b>IND</b>	County <b>GRADY</b>	State <b>OK</b>
Site Name	Well/Facility/FMP	1/4 1/4 Section	Township	Range	Meridian	County	State
Site Name	Well/Facility/FMP	1/4 1/4 Section	Township	Range	Meridian	County	State

The following condition(s) were found by Bureau of Land Management Inspectors on the date and at the site(s) listed above.

Date	Time (24-hour clock)	Corrective Action to be Completed by	Date Corrected	Authority Reference
05/18/2018	09:00	06/29/2018		43 CFR 3162.1 (a)

Remarks:

Submit an updated Site Facility Diagram in accordance with 43 CFR 3173.11 via Sundry Notice 3160-5.

When the Written Order is complied with, sign this notice and return to above address.

Company Representative Title	Signature	Date
Company Comments		

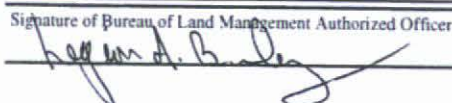
**Warning**

The Authorized Officer has authority to issue a Written Order in accordance with 43 CFR 3161.2. Written Order correction and reporting time frames begin upon receipt of this Notice or 7 business days after the date it is mailed, whichever is earlier. Each stipulation must be corrected within the prescribed time from receipt of this Notice and reported to the Bureau of Land Management Office at the address shown above. If you do not comply as noted above under "Corrective Action to be Completed By", you shall be issued an Incident of Noncompliance (INC) in accordance with 43 CFR 3163.1(a). Failure to comply with the INC may result in assessments as outlined in 43 CFR 3163.1 and may also incur civil penalties (43 CFR 3163.2). All self-certified corrections must be postmarked no later than the next business day after the prescribed time frame for correction.

Section 109(d)(1) of the Federal Oil and Gas Royalty Management Act of 1982, as implemented by the applicable provisions of the operating regulations at Title 43 CFR 3163.2(f)(1), provides that any person who "knowingly or willfully" prepares, maintains, or submits false, inaccurate, or misleading reports, notices, affidavits, records, data, or other written information required by this part shall be liable for a civil penalty of up to \$25,000 per violation for each day such violation continues, not to exceed a maximum of 20 days.

**Review and Appeal Rights**

A person contesting a decision shall request a State Director review of the Written Order. This request must be filed within 20 working days of receipt of the Notice with the appropriate State Director (see 43 CFR 3165.3). The State Director review decision may be appealed to the Interior Board of Land Appeals, 801 North Quincy Street, Suite 300, Arlington, VA 22203 (see 43 CFR 3165.4). Contact the above listed Bureau of Land Management office for further information.

Signature of Bureau of Land Management Authorized Officer 	Date 5/23/2018	Time 0830 hrs
--	-------------------	------------------

**FOR OFFICE USE ONLY**

Number 15	Date	Type of Inspection PI
--------------	------	--------------------------



☒ Certified Mail - Return  
Receipt Requested  
70172400000041604976

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
NOTICE OF WRITTEN ORDER

IDENTIFICATION	
IID	
Lease	OKNM20396
CA	
Unit	
PA	

Bureau of Land Management Office OKLAHOMA FIELD OFFICE				Operator CIMAREX ENERGY COMPANY			
Address 201 STEPHENSON PKWY, STE 1200 NORMAN OK 73072				Address 202 S CHEYENNE AVE STE 1000 TULSA OK 74103-4311			
Telephone 405-579-7159				Attention			
Inspector LEE				Attn Addr			
Site Name HINES FEDERAL	Well/Facility/FMP 1H-0235X	1/4 1/4 Section SWSE 2	Township 10N	Range 8W	Meridian IND	County GRADY	State OK
Site Name HINES FEDERAL 1H-0235X	Well/Facility/FMP A	1/4 1/4 Section SWSE 2	Township 10N	Range 8W	Meridian IND	County GRADY	State OK
Site Name	Well/Facility/FMP	1/4 1/4 Section	Township	Range	Meridian	County	State

The following condition(s) were found by Bureau of Land Management Inspectors on the date and at the site(s) listed above.

Date	Time (24-hour clock)	Corrective Action to be Completed by	Date Corrected	Authority Reference
05/18/2018	09:00	06/29/2018		43 CFR 3162.1 (a)

Remarks:

Operator shall submit a Sundry Notice, form 3160-5, for off-lease removal of water together with a copy of the authorization for the disposal facility per Onshore Order 7 III. B. 2. a.

When the Written Order is complied with, sign this notice and return to above address.

Company Representative Title \_\_\_\_\_ Signature \_\_\_\_\_ Date \_\_\_\_\_

Company Comments \_\_\_\_\_

Warning

The Authorized Officer has authority to issue a Written Order in accordance with 43 CFR 3161.2. Written Order correction and reporting time frames begin upon receipt of this Notice or 7 business days after the date it is mailed, whichever is earlier. Each stipulation must be corrected within the prescribed time from receipt of this Notice and reported to the Bureau of Land Management Office at the address shown above. If you do not comply as noted above under "Corrective Action to be Completed By", you shall be issued an Incident of Noncompliance (INC) in accordance with 43 CFR 3163.1(a). Failure to comply with the INC may result in assessments as outlined in 43 CFR 3163.1 and may also incur civil penalties (43 CFR 3163.2). All self-certified corrections must be postmarked no later than the next business day after the prescribed time frame for correction.

Section 109(d)(1) of the Federal Oil and Gas Royalty Management Act of 1982, as implemented by the applicable provisions of the operating regulations at Title 43 CFR 3163.2(f)(1), provides that any person who "knowingly or willfully" prepares, maintains, or submits false, inaccurate, or misleading reports, notices, affidavits, records, data, or other written information required by this part shall be liable for a civil penalty of up to \$25,000 per violation for each day such violation continues, not to exceed a maximum of 20 days.

Review and Appeal Rights

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Signature of Bureau of Land Management Authorized Officer \_\_\_\_\_ Date 5/23/2018 Time 0830 hrs

FOR OFFICE USE ONLY

Number 33 Date \_\_\_\_\_ Type of Inspection PI





Case Number / IID: OKNM20396

Operator: Cimarex

Well Name / Number: Hines Federal 114-A2-55

Purchaser / Gatherer: One OK

15'6" x 24'

5'6" x 24"

	Size	Number	Gauge	BS&W	Inches	Bbl/in	Gross Bbl
Tank 1:	750	311145	54"	0"	54	2.8	154
Tank 2:	750	311146	38"	7"	31	2.8	87
Tank 3:	750	311147	19"	6"	13	2.8	36
Tank 4:	750	311148	73"	6"	67	2.8	188
Water/Combo 1:	750		190"	189"	1	2.8	3
Water/Combo 2:							

### Hydrocarbon Volumes

	Tank 1:	Tank 2:	Tank 3:	Tank 4:	Combo 1:	Combo 2:
Sales Seal:	3275374	3122110	3122446	3122449		
Drain Seal:	63148	63149	47087	31853		
Fill Seal:						
Overflow Seal:						

Gross Oil On Hand: 468

Net Oil On Hand:   NA  

Case / IID Totals:		NA
--------------------	--	----

### Hydrocarbon Specifics

Observed Gravity: 

@ °Fahrenheit:

### Environmental Protection

Trucked Off:	<input checked="" type="checkbox"/>	Open Pits:	Yes <input type="checkbox"/> No <input type="checkbox"/> NA <input checked="" type="checkbox"/>	Stock Tanks:	Yes <input type="checkbox"/> No <input type="checkbox"/> NA <input type="checkbox"/>	
Water Disposal:	<input type="checkbox"/>	Bird & Bat:	Open Tanks:	<input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/>	Facilities:	<input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
Subsurface:	<input type="checkbox"/>	Ex. Stacks:	<input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	Berms:	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	
				Inj. Tanks:	<input type="checkbox"/> <input type="checkbox"/> <input checked="" type="checkbox"/>	

Oil Sale: Yes ☐ Complete 3160-16/17  
No ☐ Complete This Form

### Facility Equipment

Separators: ✓ Htr Trtrs:      Line Htrs:      Dehys:      Inj Tanks:      Comps: ✓ EPU/GPU: ✓ LACT:      Other:     

### Equipment Condition


Tanks Level: Yes ☒ No ☐ Dents/Damage: Yes ☐ No ☒ Ref. Points: Yes ☒ No ☐ Pres. Hatch/Vent Valve: Yes ☒ No ☐ Seal Record Request: Yes ☐ No ☒

### Additional Information

Bypasses: Yes ☐ No ☒ Strapping Tables Avlb: Yes ☐ No ☐ Tape/Bob NBS Cert: Yes ☐ No ☐ Two Identical Gauges: Yes ☐ No ☐ Innage: ☐ Outage: ☐

INC's/WD/Remarks/Contacts/Etc

### Facility Sketch

This image shows a single sheet of white paper with horizontal blue or grey ruling lines. The lines are evenly spaced and run across the width of the page. There is no handwriting or other markings on the paper.



UNITED STATES DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

MEASUREMENT RECORD – GAS ONSITE EGM (v1.3)

Date: 5/18/18 Inspector: Chris Lee/Ray Whitehead Office: OKFO  
FMP Number: WT 11743 Case Number: GKNM 20396  
Operator: ONEOK Facility Name: Hines Federal 1H-0235X  
Location:  $\frac{1}{4}$   $\frac{1}{4}$  S 2 T 16N R 8W County: Canadian State: OK  
Period used to calculate flow category: 24 hrs Avg Flow: \_\_\_\_\_ Flow Cat: VLV, LV, HV, VHV  
Unique Meter ID: WT 11743 Pipe ID (D): 4" Orifice dia. (d): 2.00  $\beta$ : 0.5

Item No.	Inspection Item	Reg. Ref. 43 CFR 3175.XX	In compliance?		
			Yes	No	n/a
<b>A. Primary device</b>					
N1	Primary device inspections performed at required frequency (routine)	80(d)			
N2	Fluid is single phase and homogenous	Table 1 to 3175.80	✓		
N3	Fluid is in steady state		✓		
N4	Fluid has a Reynolds number greater than 4000		✓		
N5	The Beta ratio is no less than 0.10 and no greater than 0.75	80(a)	✓		
N6	The orifice bore diameter is greater than 0.45 inches	80(b)	✓		
N7	Isolating flow conditioner (if used) approved by the BLM	80(g)	✓		
N8	Isolating flow conditioner (if used) installed per BLM requirements	80(g)	✓		
N9	Tube bundle (if used) consists of 19 tubes	80(g)	✓		
N10	Tube bundle (if used) is located per API 14.3.2, Table 8a, or 8b	80(g)	✓		
N11	Meter tube length is adequate (use worksheet 1) <u>See Attached</u>	80(k)	✓		
N12	Meter other than flange-tapped orifice approved by the BLM	47			✓
N13	Meter other than flange-tapped orifice installed per BLM requirements	47			✓
N14	Sample probe is the first disturbance downstream of the orifice plate	112(b)(1)	✓		
N15	Thermometer well is DL to 4DL downstream of orifice plate	80(l)(1)	✓		
N16	Thermometer well exposed to same ambient temp. as the orifice plate	80(l)(2)	✓		
N17	If a test well is present, temperature must be taken from the thermometer well closest to the orifice plate	80(l)(3)	✓		
<b>B. Manifold and gauge lines</b>					
N18	Manifolds and gauge lines are 3/8" nominal diameter or greater Manifold Make/Model: <u>Park</u> Dim. A: _____ "	101(a)(1)	✓		
N19	Gauge lines have a minimum slope of 12:1 with no visible sag	101(a)(2)	✓		
N20	Gauge lines have the same ID throughout their length	101(a)(3)	✓		
N21	There are no tees in the gauge lines except for static pressure	101(a)(4)	✓		
N22	Gauge line not connected to more than one differential or static pressure element or any other device	101(a)(5)	✓		
N23	Gauge line no longer than 6 feet	101(a)(6)	✓		
<b>C. Primary device information maintained onsite</b>					
N24	Unique meter ID number <u>WT 11743</u>	101(c)(1)	✓		
N25	Relative density (specific gravity) *	101(c)(2)			
N26	Elevation of FMP <u>1277 ft.</u>	101(c)(3)	✓		
N27	Primary device information, such as orifice bore diameter (inches) or Beta or area ratio and discharge coefficient, as applicable	101(c)(4)	✓		



Item No.	Inspection Item	Reg. Ref. 43 CFR 3175.XX	In compliance?		
			Yes	No	n/a
N28	Meter-tube inside diameter	101(c)(5)	✓		
N29	Make, model, and location of approved isolating flow conditioners, if used <i>Meter Tube inspection Ralm 4600</i>	101(c)(6)	✓		
N30	Location of the downstream end of 19-tube-bundle, if used	101(c)(7)			
N31	Date of last primary-device inspection <i>4/23/18</i>	101(c)(12)	✓		
N32	Required information is legible and accessible	101(c)	✓		
<b>D. Secondary device information maintained onsite</b>					
N33	For self-contained EGM systems, make and model number of the system	101(c)(8)	✓		
N34	For component-type EGM systems, make and model number of each transducer and the flow computer <i>ABB Dtl Flow G4</i>	101(c)(9)	✓		
N35	URL and upper calibrated limit for each transducer	101(c)(10)	✓		
N36	Location of the static-pressure tap (upstream or downstream)	101(c)(11)	✓		
N37	Date of last secondary device inspection <i>5/17/18</i>	101(c)(13)	✓		
<b>E. Secondary Device - EGM System</b>					
N38	Display is readable without the need for data-collection units, laptop computers, a password, or any special equipment	101(b)(1)	✓		
N39	Display is onsite and accessible	101(b)(2)	✓		
N40	Display has the units of measure for each required variable	101(b)(3)	✓		
N41	Software version displayed	101(b)(4)	✓		
N42	Previous day's volume displayed <i>4863.1</i> mcf	101(b)(4)	✓		
N43	Current flowing static pressure displayed <i>1040</i>	101(b)(4)(i)	✓		
N44	Current differential pressure displayed <i>46</i>	101(b)(4)(ii)	✓		
N45	Current flowing temperature displayed <i>111</i>	101(b)(4)(iii)	✓		
N46	Current flow rate displayed <i>5439 mcf</i>	101(b)(4)(iv)	✓		
N47	Hourly or daily QTR displayed or posted on-site no more than 31 days old	101(b)(5)	✓		
N48	Hourly or daily QTR Shows the previous period average DP	101(b)(5)(i)	✓		
N49	Hourly or daily QTR Shows the previous period average SP	101(b)(5)(ii)	✓		
N50	Hourly or daily QTR Shows the previous period average flowing temp.	101(b)(5)(iii)	✓		
N51	The DP, SP, and flowing temp. transducers are operating between lower and upper calibrated limits of transducer	101(d)	✓		
N52	Flowing temperature of gas is continuously measured	101(e)	✓		
N53	<i>Transducers are approved by the BLM (enforce after 1/17/19)</i>	43			✓
N54	<i>Flow computer and software version are approved by the BLM (enforce after 1/17/19)</i>	44			✓
N55	The measuring equipment achieved an overall flow rate measurement uncertainty within $\pm 3$ percent for high volume FMP (Worksheet 2)	31(a)(1)			
N56	The measuring equipment achieved an overall flow rate measurement uncertainty within $\pm 2$ percent for very-high volume FMP (Worksheet 2)	31(a)(2)			
<b>F. Gas sampling</b>					
N57	Sample probe exists in the meter tube (**Red Flag if no sample probe)	n/a **	✓		
N58	Sample probe is exposed to the same ambient temp. as the orifice plate	112(b)(2)	✓		
N59	Sample probe is constructed from stainless steel	n/a	✓		
N60	Composite sampler components are heated if ambient temperature is less than flowing temperature	111(b)	✓		
N61	Online GC components are heated if ambient temperature is less than flowing temperature	111(b)	✓		



# Worksheet 1 – Meter tube length

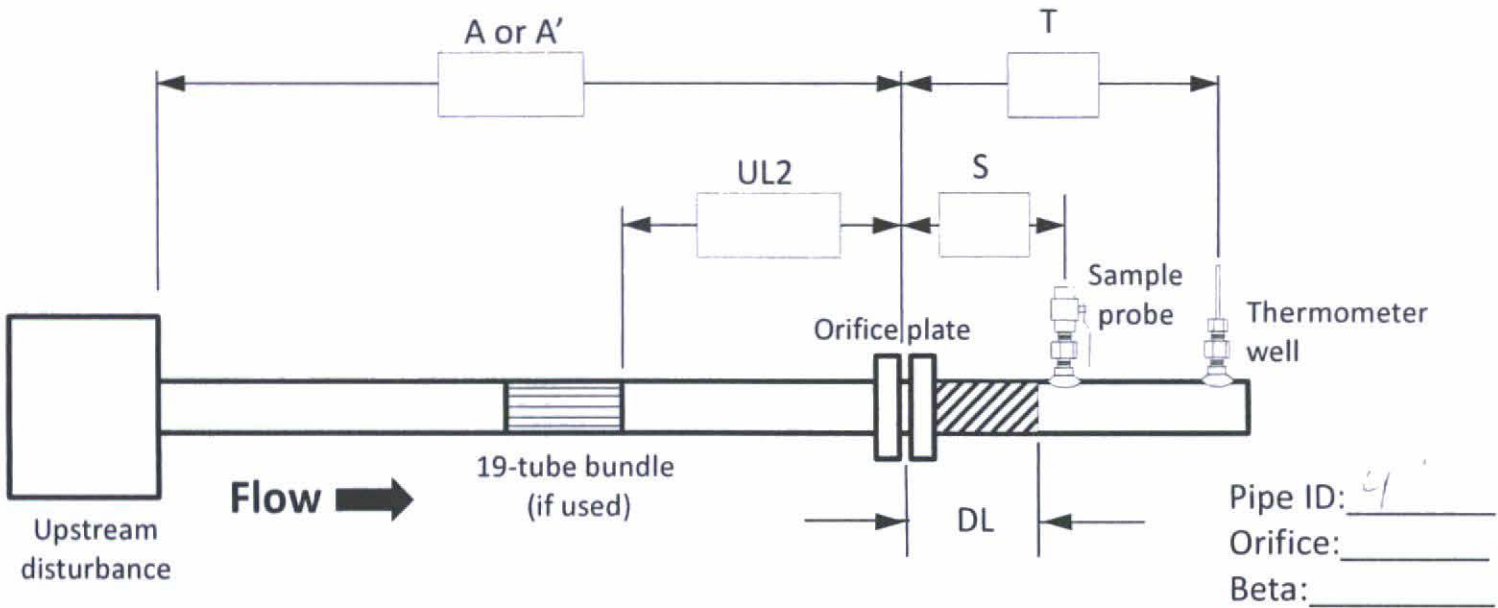
## Diagram 1

Use for:

☐ LV and HV FMPs installed before January 17, 2017

☐ 19-tube bundles or empty pipe only

Note: Only A or A' is grandfathered under 43 CFR 3175.61. All other dimensions must comply with 3175.



AGA 3 (1985)		API 14.3.2 (2016)		Pipe ID (inches)	Required Length <sup>3</sup> (inches)	Measured Length (inches)	In Compliance?	
Dimension	Required Length (D-nom)	Dimension	Required Length (D-pub)				Yes	No
A or A'				1				
		UL2*		2				
		DL						
		SMP	≥5					
		T (DL to 4DL)	to		to			

\*When 19-tube bundles are present, use A' to determine which table (8a or 8b) to use for UL2:

If A' ≤ 29D, use Table 8a

If A' > 29D, use Table 8b

<sup>1</sup>Use nominal pipe diameter (e.g., 2-inch, 3-inch, 4-inch)

<sup>2</sup>Use published internal diameter (e.g., 2.067 inches, 3.063 inches, 4.026 inches)

<sup>3</sup>Required Length (inches) = Required Length (D) X Pipe ID (inches)

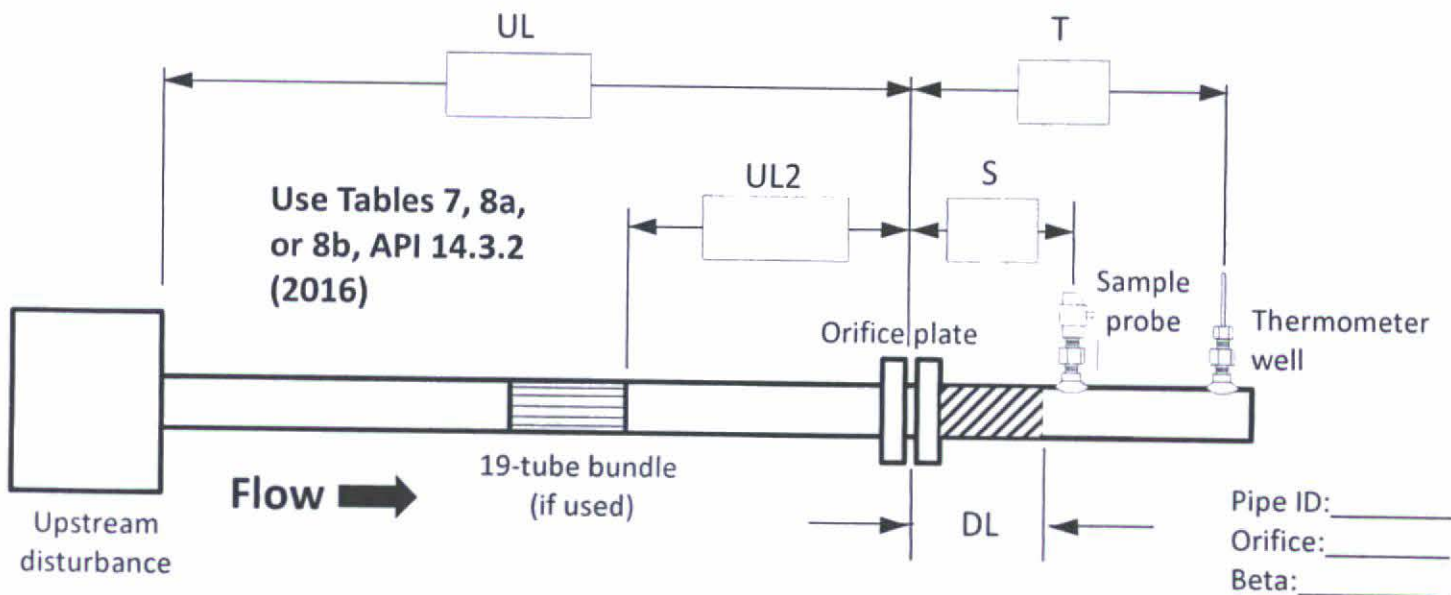


# Worksheet 1 – Meter Tube Length

**Diagram 2**

Use for:

- ☐ VHV FMPs or ☐ LV and HV FMPs installed after January 17, 2017
- ☐ 19-tube bundles or empty pipe only



API 14.3.2 (2016)		Pipe ID <sup>1</sup> (inches)	Required Length <sup>2</sup> (inches)	Measured Length (inches)	In Compliance?	
Dimension	Required Length (D)				Yes	No
UL*	**					
UL2						
DL						
SMP	≥5					
T (DL to 4DL)	_____ to _____		_____ to _____			

\*When 19-tube bundles are used, UL is only used to determine which table (8a or 8b) to use for UL2:

If  $UL > 17D$  and  $UL \leq 29D$ , use Table 8a

If  $UL > 29D$ , use Table 8b

If  $UL < 17D$ , this is a violation

\*\*When 19-tube bundles are used, enter "17" for Required Length

<sup>1</sup>Use published internal diameter (e.g., 2.067 inches, 3.063 inches, 4.026 inches)

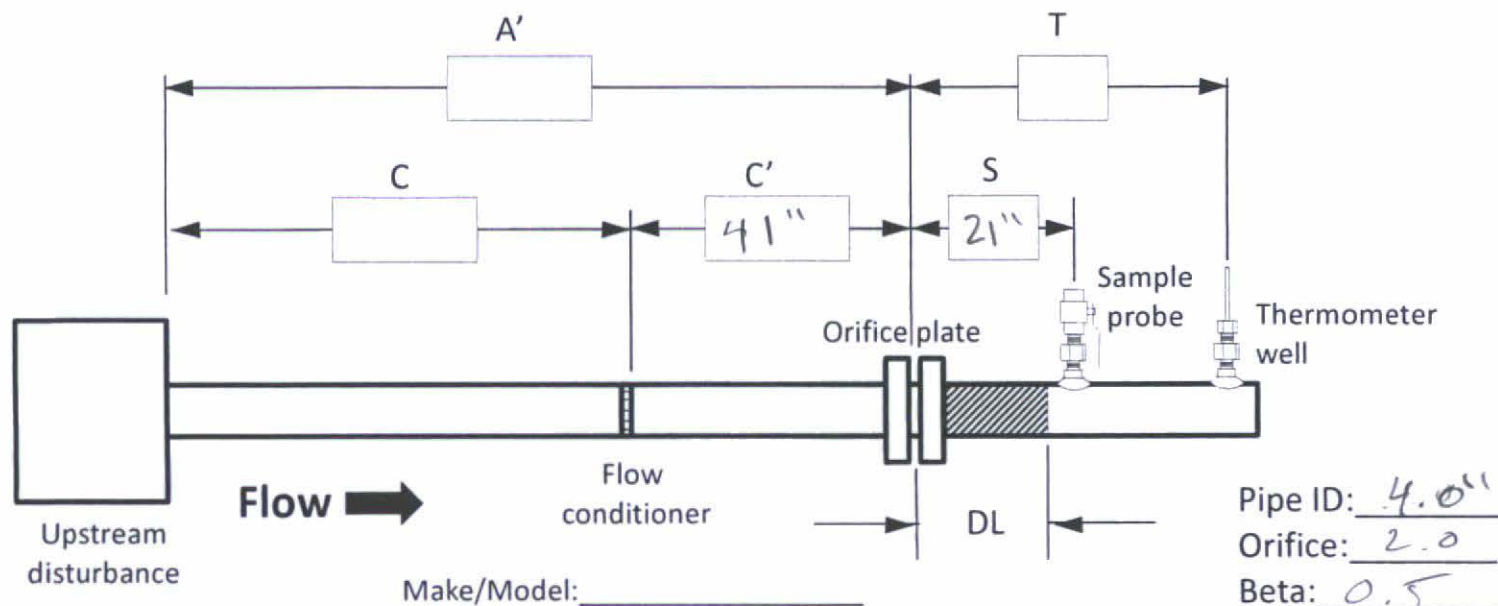
<sup>2</sup>Required Length (inches) = Required Length (D) X Pipe ID (inches)



### Diagram 3:

Use for:

☐ ALL FMP's using flow conditioners



Flow Conditioner Specs*		API 14.3.2 (2016)		Pipe ID <sup>2</sup> (inches)	Required Length <sup>3</sup> (inches)	Measured Length (inches)	In Compliance?	
Dimension	Required Length Min/Max	Dimension	Required Length (D)				Yes	No
A'	**			4"				
C'	/					62"	✓	
C	/							
		DL <sup>1</sup>						
		SMP	≥5					
		T (DL to 4DL)	to		to			

\*Refer to the latest spec sheet for flow conditioners

\*\*Enter A' Min from the spec sheet for the make and model of flow conditioner. If there is more than one A' Min for the make and model of flow conditioner, enter the smallest dimension given.

<sup>1</sup>Use DL from Table 7, 8a, or 8b (the DL dimensions in the three tables are all the same)

<sup>2</sup>Use published pipe inside diameter (e.g., 2.067 inches, 3.068 inches, 4.026 inches)

<sup>3</sup>Required Length (inches) = Required Length (D) X Pipe ID (inches)



## Worksheet 2 – Uncertainty/Differential Flow Calculator

FMP #: \_\_\_\_\_ Date: 5-18-18 Inspector: Lee Whiteshield

Meter Id: WT 11743 Elevation: 1249 ft or Atmospheric Pressure: \_\_\_\_\_

Pipe ID: 4" Orifice: 2" Beta: 4"

The EGM system is: ☐ Self-contained ☒ Component, Flow Computer: ABB

Transducer	Manufacturer	Model	Upper Range Limit	Upper Calibrated Limit (Span)
Static Pressure			<u>1500</u>	
Differential Pressure				
Temperature			<u>150°</u>	

The transducers are located:

- ☐ Inside a temperature-controlled building
- ☐ Inside a heated meter house
- ☐ Inside an unheated meter house
- ☐ Outside, but protected from the sun
- ☐ Outside, no protection

Static pressure is taken from: ☒ the upstream tap ☐ the downstream tap

Relative density (specific gravity): \_\_\_\_\_ %CO<sub>2</sub> (if available): \_\_\_\_\_ %N<sub>2</sub> (if available): \_\_\_\_\_

Static pressure is displayed in: ☒ psia ☐ psig

**Uncertainty Calculator:** Per 43 CFR 3175.31 calculate uncertainty for HV ( $\pm 3\%$ ), and VHV ( $\pm 2\%$ ) FMPs only

Use only the average flowing parameters on the most recent daily QTR or the average flowing parameter from the previous day

Differential pressure: \_\_\_\_\_ Static Pressure: \_\_\_\_\_

Calculated Uncertainty of Meter: \_\_\_\_\_

**Differential Flow Calculator:** For all flow categories VLV, LV, HV, and VHV use only instantaneous readings:

Variable	Run #1	Run #2	Run #3
Differential pressure	<u>37.2</u>	<u>36.4</u>	<u>38.3</u>
Static pressure	<u>1052.3</u>	<u>1050.8</u>	<u>1051.0</u>
Temperature	<u>106</u>	<u>108.9</u>	<u>109.2</u>
Flow rate	<u>5241 mcf/day</u>	<u>5038.3</u>	<u>5198.2</u>



## Differential Flow Calculator

v1.1 (c) 2013

**Meter name/ID:** Hines Federal 1H-0235X/WT11743    **Inspection date:** 5/18/2018

**Case #:** OKNM20396

**Operator:** Cimarex

**Run date:** 05/22/2018

**Inspector:** Lee

### Input

<b>Primary device:</b>	Flange-tapped orifice	<b>Pipe ID:</b>	4.026 inches
<b>Orifice ID:</b>	2.000 inches		
<b>Static tap:</b>	Upstream	<b>Atmos. pressure:</b>	14.730 psia
<b>Diff. pressure:</b>	46.000 inches H2O	<b>Relative density:</b>	0.7759
<b>Static pressure:</b>	1040.000 psia	<b>%CO2:</b>	0.0000
<b>Temperature:</b>	111.00 deg F	<b>%N2:</b>	0.0000
<b>Flow calc:</b>	API 14.3.3, 1992	<b>Fpv calc:</b>	AGA 8 Gross-2

### Results

<b>Beta:</b>	0.4968	<b>Reynolds num.:</b>	2,031,562
<b>Cd:</b>	0.6028	<b>Ev:</b>	1.0319
<b>Y:</b>	0.9995	<b>Fpv:</b>	1.1289
<b>Flow rate:</b>	5,399.3 Mcf/day	<b>IMV:</b>	1028.5660
<b>Obs. flow rate:</b>	5,439.0 Mcf/day	<b>Error:</b>	0.7349%

### Comments



5-15

DATE 5-18-18 STATION NUMBER WT11743STATION NAME Hines Federal 1H-0235XLEGALS sec N WPRODUCER CumminsMETER RUN MAKE \_\_\_\_\_ MODEL simplex / senior ORIFICE 2.00TUBE BORE 4.026 SN \_\_\_\_\_ FITTING DIA. \_\_\_\_\_ SN \_\_\_\_\_

METER MAKE \_\_\_\_\_

MODEL \_\_\_\_\_

SERIAL # \_\_\_\_\_

SOFTWARE REVISION \_\_\_\_\_

DP CUTOFF 0.4 upstream / downTRANSMITTER RANGE 800 in. 1500 lbsTRANS CAL RANGE 800 in. 1150 lbs

DIFFERENTIAL PRESSURE TEST BEFORE CAL (as found)

	Standard	Found	Left	WP0	AP0
1 0%	0	-0.01	0	-0.01	-0.01

2 50% 400 400.61 399.97 shaded boxes=same reading3 100% 800 801.09 799.994 80% 640 640.95 640.01 AFTER CAL (as left)5 20% 160 160.23 159.98 found left6 0% 0 -0.01 0 WP0 AP07 Avg 0 0 0

STATIC PRESSURE TEST

	Standard	Found	Left
--	----------	-------	------

1 0% 14.02 13.922 50% 614.02 613.583 100% 1214.02 1213.514 Avg 1054.02 1053.57

LOCKOUT / TAGOUT

VALVE INSTALL REMOVE

Upstream

Downstrm

Blowdown

FLOWING CONDITIONS

Amb Temp

	Found	Left	TIME TEST	
DP	<u>46</u>	<u>35</u>	Begin	End
SP	<u>1040</u>	<u>1040</u>		
TEMP	<u>111</u>	<u>107</u>		
RATE	<u>5439</u>	<u>4792</u>	<u>8.40</u>	<u>10.00</u>
BAT Volt				
Change RTU clock from				

Sample Cyl # 7081

Sample from:

H2O 38.0 lbs/mmcfH2S 0 ppm

TEMP TRANS RANGE

TEMP CALIB RANGE

Standard	Found	Left
<u>107.4</u>	<u>107.69</u>	

PLATE CHECKED

(Y)

N

PLATE CHANGED TO XBOWED NONICKED NO

Fill / Empty Purge

PSIG # CYCLES

15 &gt; 29 13

30 &gt; 59 8

60 &gt; 89 6

90 &gt; 149 5

150 &gt; 500 4

&gt; 500 (3)

1338.27 BTU

.7759 SG

Edit a test>View>QuickView>Device>Open>Edit>Save  
 AMU/Board>View>QuickView>Device>Add (OrificeMeterTest)  
 TA a meter>QuickView>Device>Add>DeviceTask>StatusChange  
 Add a meter > Meter Editor > Add  
 Schedule a test > SDE > Add  
 Add a producer > Setup > contacts > company

AVG DAILY VOL. mcf	MIN. TEST FREQ. months
0 - 200	12 not to exceed 15
200 - 1,000	6 not to exceed 8
1,000 - 4,000	3 not to exceed 4
4,000 - up	1 not to exceed 2



# SHAMROCK GAS ANALYSIS, INC.



LABORATORY REFERENCE NUMBER : K37249

## CIMAREX

ID: 350021103  
AREA: CANA  
METER: HINES FEDERAL 1H-0235X  
LEASE: HINES FEDERAL 1H-0235X  
OPERATOR: CIMAREX  
STATION: 350021103  
SAMPLE DATE: 9/8/2017  
SAMPLE OF: GAS

LINE PRESSURE: 100.09 PSI  
LINE TEMPERATURE: 81.9 F  
CYLINDER NUMBER: 6055  
EFFECTIVE DATE: 9/1/2017  
SAMPLED BY: S. BROWN  
ANALYZED BY: BRENNAN  
ANALYZED DATE: 9/19/2017  
SAMPLE TYPE: SPOT

For: CIMAREX ENERGY CO  
Attn:  
31990 I-40 SERVICE RD.  
HINTON, OK 73047

Physical Properties per GPA 2145-09

Calculations per GPA 2172-09

Note: Zero = Less than detection limit

	<u>MOL%</u>	<u>GPM @ 14.73</u>
HYDROGEN SULFIDE	0.000	0.000
NITROGEN	0.529	0.058
CARBON DIOXIDE	0.475	0.081
METHANE	70.844	12.063
ETHANE	15.271	4.102
PROPANE	7.313	2.024
ISOBUTANE	0.846	0.278
N-BUTANE	2.354	0.745
ISOPENTANE	0.532	0.195
N-PENTANE	0.760	0.277
HEXANES PLUS	1.076	0.472
	100.000	20.295

BTU	Vol. Ideal	Vol. Real
	Gas Fuel	Gas Fuel
BTU @ 14.73 PSIA ( DRY )	1384.2	1390.6
BTU @ 14.73 PSIA ( SAT. )	1360.1	1367.0
Specific Gravity	0.8058	0.8090
Compressibility ( Z )	0.9954	

### Gasoline Content ( Gallons Per Thousand - GPM )

Ethane & Heavier	8.093
Propane & Heavier	3.991
Butane & Heavier	1.967
Pentane & Heavier	0.944
Total 26 psi Reid V.P. Gasoline GPM	1.438

Remarks: FLOW RATE: 2,952.99 MCF/D  
Remarks: NO PREVIOUS BTU AVAILABLE



UNITED STATES DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

MEASUREMENT RECORD- EGM VERIFICATION ROUTINE (v1.0)

Date: 5-18-18 Inspector: Lee Office: OKF6  
FMP Number: \_\_\_\_\_ Case Number: OKNM20396  
Operator: Cimarex Facility Name: Hines Federal 1H-0235X  
Location:  $\frac{1}{4}$  SWSE S 2 T 10N R 8W County: Grady State: OK  
Period used to calculate flow category: \_\_\_\_\_ Avg Flow: 4724 Flow Cat: VLV, LV, HV, VHV  
Unique Meter ID: WT11743 Pipe ID (D): 4.026 Orifice dia. (d): 2  $\beta$ : \_\_\_\_\_

No.	Inspection Item	Reg. Ref. 43 CFR 3175.XX	In compliance		
			Yes	No	n/a
<b>A. No-Flow Cutoff</b>					
W48	No-flow cutoff is set no higher than 0.25% of the upper calibrated limit or 0.5 inches of water, whichever is less <u>.4 in</u>	Table 1 to 3175.100	X		
<b>B. Routine Verification Frequency</b>					
W49	Routine verification performed at required frequency (in months) <input type="checkbox"/> VLV (12) <input type="checkbox"/> LV (6) <input type="checkbox"/> HV (3) <input checked="" type="checkbox"/> VHV (3)	Table 1 to 3175.100	X		
<b>C. Routine Verification Procedures</b>					
W50	Leak test performed as prescribed in 43 CFR 3175.92(a)(1)	102(c)(1)	X		
W51	For normal point: • Mean value taken over previous time not less than 1 day or greater than 1 month.	102(c)(2)(i)	X		
W52	• Pressure applied to the DP/SP transducers is within five percentage points of the normal operating point	102(c)(2)(ii)	X		
W53	• Temperature applied to the temperature transducer is within 20° of normal operating point	102(c)(2)(iii)	X		
W54	Verification performed according to API 21.1 Subsection 8.2 <b>Test Points for DP Transducer:</b> <input checked="" type="checkbox"/> Working pressure zero <input checked="" type="checkbox"/> Atmospheric pressure zero <input checked="" type="checkbox"/> Normal 102(c)(2) <input checked="" type="checkbox"/> 100% or upper calibrated limit <b>Test Points for SP Transducer:</b> <input checked="" type="checkbox"/> Zero (atmospheric pressure) <input checked="" type="checkbox"/> Operating pressure- Normal 102(c)(2) <input checked="" type="checkbox"/> 100% of upper calibrated limit <b>Test Points for Temperature:</b> <input checked="" type="checkbox"/> One point within $\pm 20^\circ\text{F}$ of normal operating temperature 102(c)(2)	102(c)	X		
W55	Verification tolerance for DP and SP is defined by API 21.1 Subsection 8.2.2.2, Equation 24. Verification tolerance for Temp is equivalent to the uncertainty of the temperature transmitter or 0.5°F, whichever is greater (use Verification Tolerance and Test Equipment form)	102(c)(6)	X		
W56	As-found values for DP obtained with low side vented to atmospheric pressure were corrected to working pressure values	102(c)(5)	X		
W57	If any as-founds values are in error by more than the manufactures specification for stability or drift on two consecutive verifications was the transducer replaced	102(c)(3)			X
W58	If the transducer was calibrated did the as-left verification include the normal operating points	102(c)(4)			

Water Vapor 38 lbs, 0 H<sub>2</sub>S

Sample Cylinder # 7081



No.	Inspection Item	Reg. Ref. 43 CFR 3175.XX	In compliance		
			Yes	No	n/a
W59	Before returning the meter to service was the DP transducer tested at zero with full working pressure applied to both sides, and re-zeroed if necessary	102(c)(8)	X		
W60	All required verification points were within the verification tolerance before returning the meter to service	102(c)(7)	X		
<b>D. Test Equipment Requirements</b>					
W61	Test equipment used to calibrate transducers at an FMP must be certified at least every 2 years. Documentation of certification is on site and available to AO during all verifications.	102(h)(1)	X		
W62	Documentation shows:	102(h)(1)(i)	X		
	• Test equipment serial number, make, and model SN: 2262-941781 Make: Crystal Model: 1533		X		
W63	• Date on which the recertification took place Date: 3-13-18	102(h)(1)(ii)	X		
W64	• Range of the test equipment: $\pm .005\%$ of FS	102(h)(1)(iii)	X		
W65	• Uncertainty determined or verified as part of the recertification $.05\%$ of reading	102(h)(1)(iv)	X		
W66	Test equipment accuracy stated in actual units of measure is no greater than 0.5 times the reference accuracy of the transducer being verified OR Test equipment has a stated accuracy of at least 0.10 percent of the upper calibration limit of the transducer being verified (use Verification Tolerance and Test Equipment form)	102(h)(2)(i) 102(h)(2)(ii)	X		
<b>E. Documentation of Verification</b>					
W67	Documentation Includes:	102(e)(1)(i)	X		
W68	• Information required in 43 CFR 3170.7(g)				
W69	• Time/Date of verification and last verification date	102(e)(1)(ii)			
W70	• Primary device data (meter-tube id, plate size, beta ratio)	102(e)(1)(iii)			
W71	• Type/location of taps (flange/pipe upstream/downstream static)	102(e)(1)(iv)			
W72	• Flow computer make and model	102(e)(1)(v)			
W73	• Make, model for each transducer, for component-type EGM	102(e)(1)(vi)			
W74	• Transducer data (make, model, differential, static, temperature URL, and upper calibrated limits)	102(c)(1)(vii)			
W75	• Normal operating points for DP, SP and Flowing Temperature	102(e)(1)(viii)			
W76	• Atmospheric Pressure	102(e)(1)(ix)			
W77	• Verification points (as-found and applied) for each transducer	102(e)(1)(x)			
W78	• Verification points (as-left and applied) for each transducer if calibrated	102(e)(1)(xi)			
W79	• Differential device inspection date and condition	102(e)(1)(xii)			
W80	• Verification equipment make, model, range, accuracy and certification date	102(e)(1)(xiii)			
W81	• Name, contact info and affiliation of person performing verification, and any witness if applicable	102(e)(1)(xiv)			
W82	• Remarks if any	102(e)(1)(xv)			
<b>F. Notification of Verification</b>					
W82	For routine verifications operator notified AO at least 72 hours before verification or submitted a monthly/quarterly verification schedule to AO.	102(f)(2)			
<b>G. Temperature Measurement</b>					
W83	Thermometer well contains liquid	80(l)(4)			



No.	Inspection Item	Reg. Ref. 43 CFR 3175.XX	In compliance		
			Yes	No	n/a
N84	Flowing temperature is continuously measured and used in the flow calculations	101(e)	X		
<b>H. Orifice Plate Inspection</b>					
W1	Orifice Plate construction and condition - Table 1 to 43 CFR 3175.80 (Orifice plates must meet these standards when inspected or need to be replace/enforcement action if plate is not replace)  <input checked="" type="checkbox"/> Orifice plate face (flatness) <input checked="" type="checkbox"/> Orifice plate bore thickness (e) <input checked="" type="checkbox"/> Orifice plate face (roughness) <input checked="" type="checkbox"/> Orifice plate thickness (E) <input checked="" type="checkbox"/> Orifice plate face (cleanliness) <input checked="" type="checkbox"/> Orifice plate bevel <input checked="" type="checkbox"/> Orifice plate bore diameter and roundness <input checked="" type="checkbox"/> Orifice plate bore edge (sharp and square – no nicks)	Table 1 to 3175.80	X		
W2	Fluid condition (single phase and homogenous)	3162.1(a)	X		
W3	Beta ratio ranges (no less than 0.10 and no greater than 0.75)	80(a)	X		



(As-Left) Differential Pressure Verification: If Calibrated

	Working Pressure Zero	Atm Zero	Normal	100% UCL	Atm Zero	Working Pressure Zero
Applied	0	0	160	800	0	0
Indicated	0	0	159.98	799.99	0	0
Error	0	0	-0.02	-0.01	0	0

(As-Left) Static Pressure Verification: If Calibrated

	Zero (Atm)	Normal	100% UCL
Applied	14.02	1054.02	1214.02
Indicated	13.92	1053.57	1213.51
Error	.1		

(As-Left) Temperature Verification: If Calibrated Verification at normal operating point (within 20°)

Applied	
Indicated	
Error	

If a transducer was calibrated, did the as-left verification include the normal operating point of that transducer?

☒ Yes ☐ No

Remarks:

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1054.02 psia

## Worksheet EGM Verification/Calibration (Routine)

Normal Operating Points: DP: 160 SP: 1040 psig Temperature: 711

\*\* To determine the tolerance use the Verification Tolerance and Test Equipment form in the Witness Handbook

### (As Found) Differential Pressure Verification:

\*\*Tolerance: \_\_\_\_\_

	Working Pressure Zero	Atm Zero	Normal ±5%	100% UCL	Atm Zero	Working Pressure Zero
Applied	0.000	0.000	160	800	0	0
Indicated	-0.01 ( $Z_{wp}$ )	-0.01 ( $Z_{ap}$ )	160.23 ( $N_{ap}$ )	801.09	-0.01	-0.01
Error	-0.01	-0.01	.23	1.09	-0.01	-0.01
Working pressure adjustment	$C_{wp} = Z_{wp} - Z_{ap}$		$*N_{ap} + C_{wp}$			

$C_{wp}$  Working pressure correction factor,  $Z_{wp}$  As-found zero under working psi,  $Z_{ap}$  As-found zero under atmospheric psi

Note: Only use the first working pressure zero and atm zero indicated values to determine  $C_{wp}$

\*Use  $N_{ap} + C_{wp}$  for 2% error calculation

### (As Found) Static Pressure Verification:

\*\*Tolerance: 5%

	Zero (Atm)		Normal ±5%		100% UCL	
	psig	psia	psig	psia	psig	psia
Applied	0	14.02	1040	1054.02	1200	1214.02
Indicated	-0.1	13.92	1039.43	1053.57		1213.51
Error	-0.1	.1		-0.45		

diff

### (As Found) Temperature Verification: Verification at normal operating point (within 20°) \*\*Tolerance: \_\_\_\_\_

Applied	107.4
Indicated	107.69
Error	.29

The differential pressure transducer was re-zeroed under working pressure? ☒ Yes ☐ No

A barometer was used to establish the atmospheric pressure (absolute only)? ☒ Yes ☐ No

Are all required verification points within the verification tolerance? ☒ Yes.... Return the meter to service

☐ No....Perform Calibration

Was the Orifice plate inspected ☒ Yes ☐ No ☐ NA

If inspected did it meet all the requirements under question W1 (Table 1 to 3175.80) ☒ Yes ☐ No

If No was the plate replaced: \_\_\_\_\_



UNITED STATES DEPARTMENT OF THE INTERIOR  
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## MEASUREMENT RECORD – ORIFICE/METER TUBE

Case Number: DKNM 20396 Date: 5-19-18 Inspector: Lee  
 Operator: Cimarex Purchaser/Processor: One OK  
 Facility Name: Hines Federal 1H-0235X FMP Number: N/A Office: OKFO  
 Location: 1/4 1/4 SWSE S 2 T 10N R 8W County: Grady State: OK  
 Flow Category: VLV LV HV VHV FMP Installed: ☐ On or Before 1/17/17\* ☒ After 1/17/17  
 Unique Meter ID: WT 11743 Pipe ID (D): 4" Orifice dia. (d): 2 β: .5  
 \*Phase-in Period Ends/Ended on: N/A (use Form 3160-15 if phase in period has not ended)

Item No. *	Inspection Item	Reg. Ref. 43 CFR 3175.XX	In compliance?		
			Yes	No	n/a
<b>A. Orifice Plate Inspection</b>					
W1	Orifice Plate construction and condition - Table 1 to 43 CFR 3175.80	Table 1 to 3175.80	X		
W1a	Orifice plate face (flatness)	Table 1 to 3175.80	X		
W1b	Orifice plate face (roughness)		X		
W1c	Orifice plate face (cleanliness)		X		
W1d	Orifice plate bore edge (sharp and square – no nicks)		X		
W1e	Orifice plate bore diameter and roundness <u>1.99" (cal. diam.)</u>		X		
W1f	Orifice plate bore thickness (e) <u>.12</u>		X		
W1g	Orifice plate thickness (E) <u>.12</u>		X		
W1h	Orifice plate bevel		X		
W2	Fluid condition (single stage and homogenous)	3162.1(a)	X		
W3	Beta ratio ranges (no less than 0.10 and no greater than 0.75)	80(a)			
W4	Minimum orifice size	80(b)	X		
<b>B. Meter tube inspections</b>					
W5	Were obstruction, pitting and buildup of foreign substances found?	80(h)(2)			X
W6	Was BLM given at least 72 hour notice before meter tube inspection?	80(h)(3)			X
W7	For LV FMPs, was the meter tube cleaned?	80(i)(1)(i)			X
W8	For all HV and VHV FMPs installed after 1/17/2017, did the detailed meter tube inspection ensure compliance with API 14.3.2?	80(i)(1)(ii)			X
W9	For all HV FMPs installed before 1/17/2017, did the detailed meter tube inspection ensure compliance with AGA Report No. 3 (1985)?	80(i)(1)(iii)			X
W10	Was a detailed inspection performed or an extension requested within 30 days of a basic inspection which identified the need for a detailed inspection?	80(i)(1)			X
W11	Was an initial detailed inspection performed for all HV and VHV FMPs installed after 1/17/2017, prior to operation? Or submit documentation that meter tube complies with API 14.3.2.5.1 through 5.4?	80(i)(2)			X
W12	Did the operator provide at least 24-hours of notice before conducting the detailed inspection?	80(i)(3)			X
W13	Are tube-bundles flow straighteners constructed to API 14.3.2.5.5.2 through 5.5.4 standards?	80(g)			

\*N=onsite; W=witness; A=Audit



Table 1 to § 3175.80: Standards for Flange-Tapped Orifice Plates

Standards for Flange-Tapped Orifice Plates					
Subject	Reference (API standards incorporated by reference, see § 3175.30)	VL	L	H	VH
Fluid conditions	API 14.3.1, Subsection 4.1	n/a	x	x	x
Orifice plate construction and condition	API 14.3.2, Section 4	x	x	x	x
Orifice plate eccentricity and perpendicularity**	API 14.3.2, Subsection 6.2	n/a	x	x	x
Beta ratio range	§ 3175.80(a)	n/a	x	x	x
Minimum orifice size	§ 3175.80(b)	n/a	n/a	x	x
New FMP orifice plate inspection*	§ 3175.80(c)	n/a	x	x	x
Routine orifice plate inspection frequency, in months*	§ 3175.80(d)	12	6	3	1
Documentation of orifice plate inspection	§ 3175.80(e)	x	x	x	x
Meter tube construction and condition**	§ 3175.80(f)	n/a	x	x	x
Flow conditioners including 19-tube bundles	§ 3175.80(g)	n/a	x	x	x
Basic meter tube inspection frequency, in years*	§ 3175.80(h)	n/a	5	2	1
Detailed meter tube inspection*	§ 3175.80(i)	n/a	x	x	x
Documentation of detailed meter tube inspection	§ 3175.80(j)	n/a	n/a	x	x
Meter tube length**	§ 3175.80(k)	n/a	x	x	x
Thermometer wells	§ 3175.80(l)	n/a	x	x	x
Sample probe location	§ 3175.80(m)	x	x	x	x
VL=Very-low-volume FMP; L=Low-volume FMP; H=High-volume FMP; VH=Very-high-volume FMP					
* = Immediate assessment for non-compliance under § 3175.150 of this subpart					
** = Applies to all very-high-volume FMPs and meter tubes installed at low- and high-volume FMPs after January 17, 2017. See § 3175.61 for requirements pertaining to meter tubes installed at low- and high-volume FMPs before January 17, 2017.					



## W8 METER TUBE REQUIREMENTS

[For a detailed meter tube inspection, please use a copy of API 14.3.2 (c.2016) for enforcement, this sheet is a paraphrase of requirements in API for training purposes.]

3175.80(i)(1)(ii)

The following are the items that the operator must inspect during the detailed meter tube inspection for all VH, HV after January 17, 2017 :

- Inside surface (API 14.3.2.5.1.1) 12 Inch or smaller

12 inch nominal diameter or smaller		Greater than 12 inch nominal diameter	
Beta ratio ( $\beta_r$ )	Roughness avg ( $R_a$ )	Beta ratio ( $\beta_r$ )	Roughness avg ( $R_a$ )
< 0.6	< 300 $\mu\text{in}$	< 0.6	< 600 $\mu\text{in}$
$\geq 0.6$	< 250 $\mu\text{in}$	$\geq 0.6$	< 500 $\mu\text{in}$
For all	Minimum $\geq 34 \mu\text{in}$	For all	Minimum $\geq 34 \mu\text{in}$

Grooves, scoring, ridges from seams, welding not permitted. Pits must cause less than roughness requirement.

Clean and free from buildups of extraneous material

- Meter Diameter (API 14.3.2.5.1.2)

Tube diameter ( $D_m, D_r$ )

- $D_m$  = Average of the 4 measurements 1 inch from upstream of plate
- 4 equally spaced ID measures in plane 1 inch from upstream face of plate.
- 2 more cross-sections of 4 measurements made within Upstream allowable length (not to be used to determine  $D_m$ )
  - 1 of these must be in region 2 pipe diameters upstream of plate
  - Other within allowable upstream length
- $D_m$  = Average of the 4 measurements 1 inch from downstream of plate
- 4 equally spaced ID measures in plane 1 inch from downstream face of plate.
- 2 more cross-sections of 4 measurements made within downstream allowable length (not to be used to determine  $D_m$ )
  - 1 of these must be in region 2 pipe diameters downstream of plate
  - Other within allowable downstream length
- Tube temperature taken during measurements (within 2.5°C)
- $D_r$  = reference meter tube internal diameter
- $D_r = D_m[1 + \alpha_2(T_r - T_m)]$  see 14.3.2.5.2.5 for formula definitions

- Meter Tube Internal Diameter Roundness Tolerance (API 14.3.2.5.1.3.1)
  - see table 4 & 5 page 16, 17
- Internal Roundness Tolerance for the Downstream Section of Meter Tube (API 14.3.2.5.1.3.2)
  - $(\text{Any downstream measurement} - D_m) / D_m \times 100 \leq 0.5\%$
- General Meter Tube Restriction (API 14.3.2.5.1.3.3)
  - No shoulders, offsets, ridges, etc.
- Orifice Plate Gasket or Sealing Device Recesses and Protrusions (API 14.3.5.1.4)
  - Gaskets should not protrude into pipe
  - Gasket shall not recede equal to or greater than .25 in
  - Gasket shall be same nominal size of inside pipe diameter
  - Larger recesses increase uncertainty
- Orifice Flange (API 14.3.2.5.2)
- Orifice Fittings – Attachment to Pipe (API 14.3.2.5.3.1)



## W8 METER TUBE REQUIREMENTS

- Fitting should be install to upstream part of pipe first and centered, no sharp edges, and allow plate to be perpendicular to pipe (flow)
- Inspections Considerations (API 14.3.2.5.3.2)
  - Measurements difficult in some fittings, suggests fitting have at least on flange side
- Bypass Checks (API 14.3.2.5.3.3)
  - No DP tap leakage
  - No device fluid bypass in fitting
- Pressure Taps, flange taps – General ( API 14.3.2.5.4.1.1)
  - Cent of Taps 1 inch form face of plates (see Fig 3 page 19 for table of tolerance)
  - All flow thru taps should be directed to measuring device. (no other use of flow)
  - Sharing of tap flow may add uncertainty to system or other problems
- Pressure Taps, flange taps - Orifice Fitting ( API 14.3.2.5.4.1.2)
  - Thickness of plates should not cause 1inch distance of tap center to exceed tolerance
- Pressure Taps, flange taps - Orifice Flanges (API 14.3.2.5.4.1.3)
  - On flange fitting tap center can be measured from face of flange and allowance made for gaskets/seals
- Pressure Taps, flange taps - Pressure Tap Drilling (API 14.3.2.5.4.2)
  - Tap hole centerline shall be perpendicular to axis of tube/pipe.
- Pressure Taps, flange taps - Pressure Tap Diameter (API 14.3.2.5.4.3)
  - Internal diameter of tap holes shall be  $3/8'' \pm 1/64$  for 2 or 3inch pipe. ( $1/2$  in  $\pm 1/64$  for 4 in and greater **[NOTE: BLM only requires the 3/8" internal diameter ASK RE?]**)
  - No reduction of tap hole while in service is acceptable
  - Tap shall be round to tolerance of  $\pm .0004$  in thru length
  - Gauge line and manifold shall be constant up to sensor
  - Guide for length of gauge line acceptable **[BLM specifies less then 6 ft]**
- Pressure Taps, flange taps - Pressure Tap Edges (API 14.3.2.5.4.4)
  - Tap edge of hole free of burrs
- Orifice Plate Eccentricity (API 14.3.2.6.2.1)
  - Orifice plate bore must be centered, not eccentric. (limits in 14.3.2.6.2.1 table 6 page 25)
- Orifice Plate Perpendicularity (API 14.3.2.6.2.2)
  - Plate holder must hold plate perpendicular to meter tube axis.



## W8 METER TUBE REQUIREMENTS

For HV meter tubes installed prior to January 16, 2017 (Grandfathering)

**Requirements:** For high -volume FMPs installed before January 17, 2017, the operator must physically measure and inspect the meter tube to determine if:

- The orifice plate eccentricity complies with AGA Report No. 3 (1985), Section 4.2.4.
- The meter tube complies with AGA Report No. 3 (1985), Section 4.3.4.

**Regulatory reference:**

Orifice plate eccentricity: 43 CFR 3175.61(a)(1)

Meter tube construction and condition: 43 CFR 3175.61(a)(2)

	VLV	LV	HV	VHV
<b>Severity</b>	n/a	n/a	minor	n/a
<b>Enforcement</b>	n/a	n/a	INC	n/a
<b>Timeframe (days)</b>	n/a	n/a	Prior to msmt.	n/a

Notes:

- 1) If the operator has to replace the meter tube, they may request an extension from the AO based on availability of a new meter run or for other circumstances.
- 2) Compliance with API 14.3.2 standards for tolerances and restrictions and orifice plate eccentricity as incorporated by reference is also acceptable.



UNITED STATES DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

MEASUREMENT RECORD – GAS SAMPLING (v 1.0)

Date: 5-19-18 Inspector: Lee Office: OKFO  
FMP Number: N/A Case Number: OKNM 20396  
Operator: Cimarex Facility Name: Hines Federal 1H-0235X  
Location:  $\frac{1}{4}$   $\frac{1}{4}$  SWSE S 2 T 10N R 8W County: Grady State: OK  
Period used to calculate flow category: Month Avg Flow: 161901 Flow Cat: VLV, LV, HV, VHV  
Unique Meter ID: WT 11743 Pipe ID (D): 4" Orifice dia. (d): 2"  $\beta$ : .5

Item No.	Inspection Item	Reg. Ref. 43 CFR 3175.XX	In compliance?		
			Yes	No	n/a
<b>A. Gas Sampling - General</b>					
W85	Sample taken from a sample probe	112(a)	X		
W86	Sample probe is mounted vertically in a horizontal section of pipe (API 14.1.6.4.2)	112(b)(1)	X		
W87	Sample probe is first obstruction downstream of the primary device	112(b)(1)	X		
W88	Sample probe exposed to the same ambient temperature as the primary device (inside a meter house or insulated)	112(b)(2)	X		
W89	Sample probe constructed from stainless steel	112(c)(1)	X		
W90	Exposed pressure regulator (if used) heated to 30°F above HCDP	112(c)(2)			X
W91	Sample tubing is stainless steel or nylon 11	112(d)			X
W92	Sample taken by one of the following methods: <input checked="" type="checkbox"/> Spot/Portable gas chromatograph <input type="checkbox"/> Flow proportional composite sampling system <input type="checkbox"/> On-line gas chromatograph If Spot sampling method was used was the sample obtained using one of the following: <input checked="" type="checkbox"/> Purging – fill and empty method <input type="checkbox"/> Helium pop <input type="checkbox"/> Floating piston <input type="checkbox"/> Portable gas chromatograph	111(a)	X		
		114(a)	X		
W93	Heat trace used on all sampling components if HCDP (Hydrocarbon dew point) is less than ambient air temperature	111(b)	X		
W94	The meter is flowing? <input checked="" type="checkbox"/> yes <input type="checkbox"/> no	113(a)	X		
<b>B. Spot Sampling – Cylinder, General</b>					
W95	Cylinder is constructed from stainless steel or hard-anodized aluminum (API 14.1.9.1)	113(c)(1)	X		
W96	Cylinder has a minimum capacity of 300 cc - <u>300 cc</u>	113(c)(2)	X		
W97	On-site documentation that the cylinder was cleaned in accordance with GPA 2166-05, Appendix A	113(c)(3)	X		



Item No.	Inspection Item	Reg. Ref. 43 CFR 3175.XX	In compliance?		
			Yes	No	n/a
C. Purging – fill and empty method (see GPA 2166-05, Section 9.1)					
W98	The proper number of fill and empty cycles performed before taking a sample: If the pressure (psig) is greater than: 15 30 60 90 150 500 And less than or equal to: 30 60 90 150 500 Minimum number of of cycles is: 13 8 6 5 4 <u>3</u>	114(a)(1)	X		
W99	Sample cylinder is vertical	114(a)(1)	X		
W100	A pig tail at least 36" long is installed at the sample cylinder outlet valve	114(a)(1)	X		
W101	All emptying is done using the outlet valve at the end of the pigtail	114(a)(1)	X		
D. Helium pop method (see GPA 2166-05, Section 9.5)					
W102	Documentation that the cylinder was evacuated and filled with helium	114(a)(2)			X
E. Floating piston method (see GPA 2166-05, Section 9.7.1 to 9.7.3)					
W103	Documentation of the seal material and type of lubricant used	114(a)(3)			X
F. Portable gas chromatograph					
W104	A sampling separator, if used, must be constructed of stainless steel	113(d)(1)(i)			X
W105	On-site documentation that the sampling separator, if used, was cleaned in accordance with GPA 2166-05, Appendix A	113(d)(1)(ii)			
W106	The separator, if used, must be insulated, have a thermometer showing separator temperature, and the thermometer must be at or above the HCDP	113(d)(1)(iii)			
W107	Sample probe and inlet to sample line purged with gas before completing the connection	113(d)(2)			
W108	Documentation of GC verification is on site	113(d)(4)			
W109	Documentation of GC verification includes: <ul style="list-style-type: none"><li>The components analyzed</li><li>The response factor for each component</li><li>The peak area for each component</li><li>The mole percent of each component as determined by the GC</li><li>The mole percent of each component in the gas used for verification</li><li>The difference between the mole percent's</li><li>Evidence that the gas used for verification and calibration:<ul style="list-style-type: none"><li><input type="checkbox"/> Meet the requirements of 3175.118(c)(2)</li><li><input type="checkbox"/> Was authenticated under the requirements of 3175.118(c)(3)</li><li><input type="checkbox"/> Was maintained under paragraph 3175.118(c)(4)</li></ul></li><li>The chromatograms generated during the verification process</li><li>The time and date the verification was performed</li><li>The name and affiliation of the person performing the verification</li></ul>	118(d)(1) 118(d)(2) 118(d)(3) 118(d)(4) 118(d)(5) 118(d)(6) 118(d)(7) 118(d)(7)(i) 118(d)(7)(ii) 118(d)(7)(iii) 118(d)(8) 118(d)(9) 118(d)(10)			
W110	Last GC verification was no more than 7 days ago	118(c)(1)			
W111	VLV, LV: Minimum of 3 samples taken and analyzed	113(d)(5)(i)			v
W112	HV: 3 consecutive samples must be within 16 Btu/scf	113(d)(5)(ii)			v
W113	VHV: 3 consecutive samples must be within 8 Btu/scf	113(d)(5)(iii)			v



Item No.	Inspection Item	Reg. Ref. 43 CFR 3175.XX	In compliance?		
			Yes	No	n/a
W114	Un-normalized total must be between 97 and 103 mole %	118(b)			↓
W115	Extended analysis if concentration of C6+ is greater than 0.5 (and the operator is not using C6+ split methodology)	119(b) or (c)			
G. Sample Probe Inspection					
W116	Sample probe length is correct	112(c)(3)	X		
W117	Sample probe does not include a membrane, screen, or filter	112(c)(4)	X		



Cameron 405-668-2437 Greer  
Pumper



Ena'ed 5-17-18





Lee, Christopher &lt;clee@blm.gov&gt;

---

**Fwd: [External] Hines Federal meter test**

2 messages

---

**Brumley, Legion** <lbrumley@blm.gov>  
To: Christopher Lee <clee@blm.gov>

Thu, May 17, 2018 at 8:00 AM

Contact Ryan and let him know you will be there for the calibration. I will establish a priority in AFMSS. I would like for Ray to go with you but I will visit with him first. If you would like for someone to go with you let me know.

See below.

**Legion Brumley**  
**Bureau of Land Management**  
**Supervisor of Inspection & Enforcement Program**  
**Oklahoma Field Office**  
**201 Stephenson Pkwy, Ste. 1200**  
**Norman, OK. 73072**  
**Office: 405-579-7150**  
**Cell: 405-637-7826**

----- Forwarded message -----

From: **Steve Brown** <sbrown@cimarex.com>  
Date: Wed, May 16, 2018 at 12:29 PM  
Subject: Fwd: [External] Hines Federal meter test  
To: "lbrumley@blm.gov" <lbrumley@blm.gov>  
Cc: Kory Lira <klira@cimarex.com>

Sent from my iPhone

Begin forwarded message:

**From:** "Ballard, Ryan E." <Ryan.Ballard@oneok.com>  
**Date:** May 16, 2018 at 11:50:35 AM CDT  
**To:** Steve Brown <sbrown@cimarex.com>, "htaylor@cimarex.com" <htaylor@cimarex.com>  
**Subject:** [External] Hines Federal meter test

I'll be testing the Hines Federal Friday morning at 9:00 am.

Thank you.

Ryan Ballard  
Measurement Technician  
OneOK Field Services  
12436 N. Highway 81  
El Reno, OK 73076  
Cell: 405-952-4484  
Ryan.Ballard@oneok.com

image001



image001.png  
3K

Lee, Christopher <clee@blm.gov>  
To: "Brumley, Legion" <lbrumley@blm.gov>

Thu, May 17, 2018 at 8:20 AM

Totally up to you on. I'm ok with trying one solo to see how I do, but I'm also good with Ray going too, either way is fine with me. I'll give Ryan a call to let him know I'll be out there. Thanks.

[Quoted text hidden]

—  
**Best Regards,**

**Chris Lee**  
**Petroleum Engineering Technician**  
**BLM- Oklahoma Field Office**  
**201 Stephenson Parkway, Suite 1200**  
**Norman, OK 73072**  
**405-579-7100 Main Line**  
**405-579-7159 Direct**







Lee, Christopher &lt;clee@blm.gov&gt;

**[EXTERNAL] Hines Federal**

2 messages

**Rhonda Sheldon** <RSheldon@cimarex.com>

Thu, May 17, 2018 at 2:39 PM

To: "clee@blm.gov" &lt;clee@blm.gov&gt;

Cc: Dwayne Ricks &lt;DRicks@cimarex.com&gt;, Cory Piel &lt;cpiel@cimarex.com&gt;

Hello Chris –

Cindy Croft just passed your phone message to me. I have contacted the field personnel, Dwayne Ricks, Superintendent, (405-542-3424) & Cory Piel, Foreman, pertaining to the information you have requested. That area works from the Hinton office (405-542-3415). I do not have a site diagram in the Tulsa office so the field will need to work one up. I have attached a gas analysis dated September 2017. No H2S reported. Our ONNR employee is out of the office today. I will talk to her tomorrow about the FMP Meter #.

Best regards,

Rhonda

Regulatory Technician

918-295-1709

**HINES FEDERAL 1H-0235X 9-8-17.pdf**

29K

**Lee, Christopher** <clee@blm.gov>

Thu, May 17, 2018 at 3:28 PM

To: Rhonda Sheldon &lt;RSheldon@cimarex.com&gt;

Thanks Rhonda.

[Quoted text hidden]

**Best Regards,****Chris Lee****Petroleum Engineering Technician****BLM- Oklahoma Field Office****201 Stephenson Parkway, Suite 1200****Norman, OK 73072****405-579-7100 Main Line****405-579-7159 Direct**



Oklahoma Corporation Commission  
Oil & Gas Conservation Division  
Post Office Box 52000  
Oklahoma City, Oklahoma 73152-2000  
Rule 165: 10-3-25

Form 1002A

API No.: 35051241170000

Completion Report

Spud Date: April 25, 2017

OTC Prod. Unit No.:

Drilling Finished Date: June 07, 2017

1st Prod Date: August 28, 2017

Completion Date: August 26, 2017

Drill Type: HORIZONTAL HOLE

Min Gas Allowable: Yes

Well Name: HINES FEDERAL 1H-0235X

Purchaser/Measurer: XEC

Location: GRADY 2 10N 8W  
SW SW SW SE  
235 FSL 2410 FEL of 1/4 SEC  
Latitude: 35.36394 Longitude: -98.0157  
Derrick Elevation: 0 Ground Elevation: 1278

*BHL 35-11N-8W, Canadian  
NWNE*

First Sales Date: 08/28/2017

Operator: CIMAREX ENERGY CO 21194

202 S CHEYENNE AVE STE 1000  
TULSA, OK 74103-3001

Completion Type		Location Exception		Increased Density	
X	Single Zone	Order No		Order No	
	Multiple Zone	663278		There are no Increased Density records to display.	
	Commingled				

Casing and Cement							
Type	Size	Weight	Grade	Feet	PSI	SAX	Top of CMT
SURFACE	13 3/8	54.5	J-55	1509	3000	960	SURFACE
INTERMEDIATE	9 5/8	40	HCL-80	10720	5000	1166	7070
PRODUCTION	5 1/2	20	HCO-110	21634	9000	3640	7100

Liner								
Type	Size	Weight	Grade	Length	PSI	SAX	Top Depth	Bottom Depth
There are no Liner records to display.								

Total Depth: 21634

Packer	
Depth	Brand & Type
There are no Packer records to display.	

Plug	
Depth	Plug Type
There are no Plug records to display.	

Initial Test Data
-------------------



Test Date	Formation	Oil BBL/Day	Oil-Gravity (API)	Gas MCF/Day	Gas-Oil Ratio Cu FT/BBL	Water BBL/Day	Pumpin or Flowing	Initial Shut-In Pressure	Choke Size	Flow Tubing Pressure
Sep 10, 2017	WOODFORD	496	53.2	3633	7324	1919	FLOWING	3822	23/64	

#### Completion and Test Data by Producing Formation

Formation Name: WOODFORD

Code: 319WDFD

Class: OIL

#### Spacing Orders

Order No	Unit Size
661734	640
587488	640
663277	MULTIUNIT

#### Perforated Intervals

From	To
12155	21608

#### Acid Volumes

NONE
------

#### Fracture Treatments

28,500,571 GALS FLUID AND 25,812,559# SAND
--

Formation	Top
ANHYDRITE	3000
HEEBNER	6789
TONKAWA	7395
COTTAGE GROVE	8149
HOGSHOOTER LIME	8423
CHECKERBOARD LIME	8854
PINK LIME	10241
RED FORK	10346
INOLA	10531
ATOKA	10632
NOVI LIME	10682
MORROW SHALE	10708
CHESTER	10764
MERAMEC	11745
LOWER MERAMEC 1	11843
OSAGE	12044
WOODFORD	12146

Were open hole logs run? No

Date last log run:

Were unusual drilling circumstances encountered? No

Explanation:

#### Other Remarks

OCC - THIS DOCUMENT IS ACCEPTED BASED ON THE DATA SUBMITTED NEITHER THE FINAL LOCATION EXCEPTION NOR THE FINAL MULTIUNIT ORDERS HAVE BEEN ISSUED. OCC - RESTORING 1002A AFTER NETWORK GOING DOWN NO CHANGE FROM ORIGINAL APPROVAL 10/18/2017.

#### Lateral Holes



Sec: 35 TWP: 11N RGE: 8W County: CANADIAN

NW NE 'NW' NE

166 FNL 1674 FEL of 1/4 SEC

Depth of Deviation: 11414 Radius of Turn: 225 Direction: 359 Total Length: 9202

Measured Total Depth: 21634 True Vertical Depth: 11639 End Pt. Location From Release, Unit or Property Line: 166

**FOR COMMISSION USE ONLY**

1137452

Status: Accepted



## OGOR.16: Production Averages for OKNM20396 Periods 2017-08 to 2018-03

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Lease: HINES FEDERAL 1H

Case Name:

PA:

Interest: Numbers not adjusted for mineral interest percentage.

Unaccepted OGORS are excluded from production totals.

This is a federal case.

PERIOD	MMS OPERATOR	NOTES	OIL/COND PROD	GAS PROD	WATER PROD	OIL SOLD	GAS SOLD
2017-08	CIMAREX ENERGY CO		17	1,251	7,095	0	0
2017-09	CIMAREX ENERGY CO		19,645	119,790	51,461	18,551	0
2017-10	CIMAREX ENERGY CO		34,376	207,966	34,963	34,627	0
2017-11	CIMAREX ENERGY CO		29,440	185,959	20,448	29,861	0
2017-12	CIMAREX ENERGY CO		27,913	182,050	14,988	27,202	0
2018-01	CIMAREX ENERGY CO		23,872	156,365	11,387	24,197	0
2018-02	CIMAREX ENERGY CO		18,260	119,280	7,152	18,665	0
2018-03		MISSING					
TOTAL		8 Periods	153,523	972,661	147,494	153,103	0
HIGH			34,376	207,966	51,461	34,627	0
AVG		all 8 Periods	19,190	121,583	18,437	19,138	0
AVG		7 reported periods	21,932	138,952	21,071	21,872	0
AVG		Producing Periods	21,932	138,952	21,071	21,872	0
LOW			17	1,251	7,095	0	0



# OIL AND GAS OPERATIONS REPORT

## PART A - WELL PRODUCTION

### (OGOR-A)

OGOR Document Number: 107843057

BLM Case Number: OKNM20396

REPORT TYPE <input checked="" type="checkbox"/> ORIGINAL MODIFY (DELETE/ADD BY LINE) REPLACE (OVERLAY PREVIOUS REPORT)	MMS LEASE/AGREEMENT NUMBER	AGENCY LEASE/AGREEMENT NUMBER  OKNM20396
PRODUCTION MONTH (YYYY-MM) 2018-02	MMS OPERATOR NUMBER K2539	OPERATOR NAME CIMAREX ENERGY CO
OPERATOR LEASE/AGREEMENT NAME HINES FEDERAL 1H		OPERATOR LEASE/AGREEMENT NUMBER

LINE	ACT	API WELL NUMBER				PROD. INT.	OPERATOR WELL NUMBER	WELL STATUS CODE	DAYS PROD.	PRODUCTION VOLUMES			INJECTION VOLUME (BBL/MCF)
		STATE	COUNTY	SEQUENCE	SDTRK					OIL/CONDENSATE (BBL)	GAS (MCF)	WATER (BBL)	
1	A	35	051	24117	00	S1	HINES FEDERAL 1	POW	28	18260	119280	7152	0
TOTAL PRODUCTION										18260	119280	7152	
										0	0	0	
TOTAL INJECTION													



# OIL AND GAS OPERATIONS REPORT PART B - PRODUCTION DISPOSITION (OGOR-B)

OGOR Document Number: 107843057

BLM Case Number: OKNM20396

REPORT TYPE <input checked="" type="checkbox"/> ORIGINAL MODIFY (DELETE/ADD BY LINE) REPLACE (OVERLAY PREVIOUS REPORT)	MMS LEASE/AGREEMENT NUMBER	AGENCY LEASE/AGREEMENT NUMBER  OKNM20396
PRODUCTION MONTH (YYYY-MM) 2018-02	MMS OPERATOR NUMBER K2539	OPERATOR NAME CIMAREX ENERGY CO
OPERATOR LEASE/AGREEMENT NAME HINES FEDERAL 1H		OPERATOR LEASE/AGREEMENT NUMBER

LINE	ACT	DISP CODE	METERING POINT	GAS PLANT	API GRAV 99.9	BTU 9999	DISPOSITION VOLUMES		
							OIL/CONDENSATE (BBL)	GAS (MCF)	WATER (BBL)
1	A	10			0.0	0	18260	0	0
2	A	11	CUSTER PLANT	T (W. OK SUPER) 02350395014	0.0	1319	0	118182	0
3	A	27			0.0	0	0	0	7152
4	A	20			0.0	0	0	1098	0
5	A	04			49.5	0	8	0	0
6	A	13			0.0	0	-8	0	0
TOTAL DISPOSITIONS							18260	119280	7152

**Disposition Codes:**

- 04 Sales-Subject to Royalty (NOT MEASURED)
- 10 Produced into inventory prior to sales
- 11 Transferred to Facility
- 13 Transferred from Facility
- 20 Used on L/A-Native Production Only
- 27 Water Disposal-Other than Transferred/Injection



# OIL AND GAS OPERATIONS REPORT PART C - PRODUCTION INVENTORY (OGOR-C)

OGOR Document Number: 107843057

BLM Case Number: OKNM20396

REPORT TYPE <input checked="" type="checkbox"/> ORIGINAL MODIFY (DELETE/ADD BY LINE) REPLACE (OVERLAY PREVIOUS REPORT)	MMS LEASE/AGREEMENT NUMBER	AGENCY LEASE/AGREEMENT NUMBER  OKNM20396
PRODUCTION MONTH (YYYY-MM) 2018-02	MMS OPERATOR NUMBER K2539	OPERATOR NAME CIMAREX ENERGY CO
OPERATOR LEASE/AGREEMENT NAME HINES FEDERAL 1H		OPERATOR LEASE/AGREEMENT NUMBER

LINE	ACT	PROD CODE	FACILITY NUMBER	METERING POINT	API GRAV 99.9	BEGINNING INVENTORY	PRODUCTION (BBL)	SALES (BBL)	ADJUSTMENTS		ENDING INVENTORY (BBL)
									CODE	VOLUME	
1	A	Oil			58.1	825	18260	18665		0	420
TOTALS						825	18260	18665		0	420



# OIL AND GAS OPERATIONS REPORT

## PART D - COMMENTS/LEGEND

### (OGOR-D)

OGOR Document Number: 107843057

BLM Case Number: OKNM20396

REPORT TYPE <input checked="" type="checkbox"/> ORIGINAL MODIFY (DELETE/ADD BY LINE) REPLACE (OVERLAY PREVIOUS REPORT)		MMS LEASE/AGREEMENT NUMBER	AGENCY LEASE/AGREEMENT NUMBER  OKNM20396
PRODUCTION MONTH (YYYY-MM) 2018-02	MMS OPERATOR NUMBER K2539	OPERATOR NAME CIMAREX ENERGY CO	
OPERATOR LEASE/AGREEMENT NAME HINES FEDERAL 1H		OPERATOR LEASE/AGREEMENT NUMBER	

**Disposition Codes:**

04	Sales-Subject to Royalty (NOT MEASURED)
10	Produced into inventory prior to sales
11	Transferred to Facility
13	Transferred from Facility
20	Used on L/A-Native Production Only
27	Water Disposal-Other than Transferred/Injection

**Error Codes:**

Code	Line Description
------	------------------

**Comments:**

Code	Line Description
MMS	RECLAIMED 8 BBLs OIL FROM WATER PROCESSING FACILITY.

CONTACT NAME JANET PEPPERS		TELEPHONE NUMBER 9182951820
AUTHORIZING SIGNATURE	DATE	COMMENTS



# OIL AND GAS OPERATIONS REPORT

## PART A - WELL PRODUCTION

### (OGOR-A)

OGOR Document Number: 107810479

BLM Case Number: OKNM20396

REPORT TYPE <input checked="" type="checkbox"/> ORIGINAL MODIFY (DELETE/ADD BY LINE) REPLACE (OVERLAY PREVIOUS REPORT)	MMS LEASE/AGREEMENT NUMBER	AGENCY LEASE/AGREEMENT NUMBER  OKNM20396
PRODUCTION MONTH (YYYY-MM) 2018-01	MMS OPERATOR NUMBER K2539	OPERATOR NAME CIMAREX ENERGY CO
OPERATOR LEASE/AGREEMENT NAME HINES FEDERAL 1H		OPERATOR LEASE/AGREEMENT NUMBER

LINE	ACT	API WELL NUMBER				PROD. INT.	OPERATOR WELL NUMBER	WELL STATUS CODE	DAYS PROD.	PRODUCTION VOLUMES			INJECTION VOLUME (BBL/MCF)
		STATE	COUNTY	SEQUENCE	SDTRK					OIL/CONDENSATE (BBL)	GAS (MCF)	WATER (BBL)	
1	A	35	051	24117	00	S1	HINES FEDERAL 1	POW	30	23872	156365	11387	0
TOTAL PRODUCTION										23872	156365	11387	
										0	0	0	
TOTAL INJECTION													



# OIL AND GAS OPERATIONS REPORT PART B - PRODUCTION DISPOSITION (OGOR-B)

OGOR Document Number: 107810479

BLM Case Number: OKNM20396

REPORT TYPE <input checked="" type="checkbox"/> ORIGINAL MODIFY (DELETE/ADD BY LINE) REPLACE (OVERLAY PREVIOUS REPORT)		MMS LEASE/AGREEMENT NUMBER	AGENCY LEASE/AGREEMENT NUMBER  OKNM20396
PRODUCTION MONTH (YYYY-MM) 2018-01	MMS OPERATOR NUMBER K2539	OPERATOR NAME CIMAREX ENERGY CO	
OPERATOR LEASE/AGREEMENT NAME HINES FEDERAL 1H		OPERATOR LEASE/AGREEMENT NUMBER	

LINE	ACT	DISP CODE	METERING POINT	GAS PLANT	API GRAV 99.9	BTU 9999	DISPOSITION VOLUMES		
							OIL/CONDENSATE (BBL)	GAS (MCF)	WATER (BBL)
1	A	10			0.0	0	23872	0	0
2	A	11	CUSTER PLANT	T (W. OK SUPER) 02350395014	0.0	1367	0	154956	0
3	A	27			0.0	0	0	0	11387
4	A	20			0.0	0	0	1409	0
5	A	04			47.8	0	13	0	0
6	A	13			0.0	0	-13	0	0
TOTAL DISPOSITIONS							23872	156365	11387

**Disposition Codes:**

- 04 Sales-Subject to Royalty (NOT MEASURED)
- 10 Produced into inventory prior to sales
- 11 Transferred to Facility
- 13 Transferred from Facility
- 20 Used on L/A-Native Production Only
- 27 Water Disposal-Other than Transferred/Injection



# OIL AND GAS OPERATIONS REPORT

## PART C - PRODUCTION INVENTORY

### (OGOR-C)

OGOR Document Number: 107810479

BLM Case Number: OKNM20396

REPORT TYPE <input checked="" type="checkbox"/> ORIGINAL MODIFY (DELETE/ADD BY LINE) REPLACE (OVERLAY PREVIOUS REPORT)		MMS LEASE/AGREEMENT NUMBER	AGENCY LEASE/AGREEMENT NUMBER  OKNM20396
PRODUCTION MONTH (YYYY-MM) 2018-01	MMS OPERATOR NUMBER K2539	OPERATOR NAME CIMAREX ENERGY CO	
OPERATOR LEASE/AGREEMENT NAME HINES FEDERAL 1H		OPERATOR LEASE/AGREEMENT NUMBER	

LINE	ACT	PROD CODE	FACILITY NUMBER	METERING POINT	API GRAV 99.9	BEGINNING INVENTORY	PRODUCTION (BBL)	SALES (BBL)	ADJUSTMENTS		ENDING INVENTORY (BBL)
									CODE	VOLUME	
1	A	Oil			58.1	1150	23872	24197		0	825
TOTALS						1150	23872	24197		0	825



# OIL AND GAS OPERATIONS REPORT

## PART D - COMMENTS/LEGEND

### (OGOR-D)

OGOR Document Number: 107810479

BLM Case Number: OKNM20396

REPORT TYPE <input checked="" type="checkbox"/> ORIGINAL MODIFY (DELETE/ADD BY LINE) REPLACE (OVERLAY PREVIOUS REPORT)		MMS LEASE/AGREEMENT NUMBER	AGENCY LEASE/AGREEMENT NUMBER  OKNM20396
PRODUCTION MONTH (YYYY-MM) 2018-01	MMS OPERATOR NUMBER K2539	OPERATOR NAME CIMAREX ENERGY CO	
OPERATOR LEASE/AGREEMENT NAME HINES FEDERAL 1H		OPERATOR LEASE/AGREEMENT NUMBER	

**Disposition Codes:**

04	Sales-Subject to Royalty (NOT MEASURED)
10	Produced into inventory prior to sales
11	Transferred to Facility
13	Transferred from Facility
20	Used on L/A-Native Production Only
27	Water Disposal-Other than Transferred/Injection

**Error Codes:**

Code	Line Description
------	------------------

**Comments:**

Code	Line	Description
MMS		RECLAIMED 13 BBLS OIL FROM WATER PROCESSING FACILITY.

CONTACT NAME JANET PEPPERS		TELEPHONE NUMBER 9182951820
AUTHORIZING SIGNATURE	DATE	COMMENTS



# OIL AND GAS OPERATIONS REPORT

## PART A - WELL PRODUCTION

### (OGOR-A)

OGOR Document Number: 107810478

BLM Case Number: OKNM20396

REPORT TYPE <input checked="" type="checkbox"/> ORIGINAL MODIFY (DELETE/ADD BY LINE) REPLACE (OVERLAY PREVIOUS REPORT)	MMS LEASE/AGREEMENT NUMBER	AGENCY LEASE/AGREEMENT NUMBER  OKNM20396
PRODUCTION MONTH (YYYY-MM) 2017-12	MMS OPERATOR NUMBER K2539	OPERATOR NAME CIMAREX ENERGY CO
OPERATOR LEASE/AGREEMENT NAME HINES FEDERAL 1H		OPERATOR LEASE/AGREEMENT NUMBER

LINE	ACT	API WELL NUMBER				PROD. INT.	OPERATOR WELL NUMBER	WELL STATUS CODE	DAYS PROD.	PRODUCTION VOLUMES			INJECTION VOLUME (BBL/MCF)
		STATE	COUNTY	SEQUENCE	SDTRK					OIL/CONDENSATE (BBL)	GAS (MCF)	WATER (BBL)	
1	A	35	051	24117	00	S1	HINES FEDERAL 1	POW	31	27913	182050	14988	0
TOTAL PRODUCTION										27913	182050	14988	
TOTAL INJECTION										0	0	0	



# OIL AND GAS OPERATIONS REPORT PART B - PRODUCTION DISPOSITION (OGOR-B)

OGOR Document Number: 107810478

BLM Case Number: OKNM20396

REPORT TYPE <input checked="" type="checkbox"/> ORIGINAL MODIFY (DELETE/ADD BY LINE) REPLACE (OVERLAY PREVIOUS REPORT)		MMS LEASE/AGREEMENT NUMBER	AGENCY LEASE/AGREEMENT NUMBER  OKNM20396
PRODUCTION MONTH (YYYY-MM) 2017-12	MMS OPERATOR NUMBER K2539	OPERATOR NAME CIMAREX ENERGY CO	
OPERATOR LEASE/AGREEMENT NAME HINES FEDERAL 1H		OPERATOR LEASE/AGREEMENT NUMBER	

LINE	A/C	DISP CODE	METERING POINT	GAS PLANT	API GRAV 99.9	BTU 9999	DISPOSITION VOLUMES		
							OIL/CONDENSATE (BBL)	GAS (MCF)	WATER (BBL)
1	A	10			0.0	0	27913	0	0
2	A	11	CUSTER PLANT	T (W. OK SUPER) 02350395014	0.0	1381	0	180472	0
3	A	27			0.0	0	0	0	14988
4	A	20			0.0	0	0	1577	0
5	A	04			46.3	0	21	0	0
6	A	13			0.0	0	-21	0	0
TOTAL DISPOSITIONS							27913	182049	14988

**Disposition Codes:**

- 04 Sales-Subject to Royalty (NOT MEASURED)
- 10 Produced into inventory prior to sales
- 11 Transferred to Facility
- 13 Transferred from Facility
- 20 Used on L/A-Native Production Only
- 27 Water Disposal-Other than Transferred/Injection



# OIL AND GAS OPERATIONS REPORT PART C - PRODUCTION INVENTORY (OGOR-C)

OGOR Document Number: 107810478

BLM Case Number: OKNM20396

REPORT TYPE <input checked="" type="checkbox"/> ORIGINAL MODIFY (DELETE/ADD BY LINE) REPLACE (OVERLAY PREVIOUS REPORT)		MMS LEASE/AGREEMENT NUMBER	AGENCY LEASE/AGREEMENT NUMBER  OKNM20396
PRODUCTION MONTH (YYYY-MM) 2017-12	MMS OPERATOR NUMBER K2539	OPERATOR NAME CIMAREX ENERGY CO	
OPERATOR LEASE/AGREEMENT NAME HINES FEDERAL 1H		OPERATOR LEASE/AGREEMENT NUMBER	

LINE	ACT	PROD CODE	FACILITY NUMBER	METERING POINT	API GRAV 99.9	BEGINNING INVENTORY	PRODUCTION (BBL)	SALES (BBL)	ADJUSTMENTS		ENDING INVENTORY (BBL)
									CODE	VOLUME	
1	A	Oil			57.9	439	27913	27202		0	1150
TOTALS						439	27913	27202		0	1150



# OIL AND GAS OPERATIONS REPORT

## PART D - COMMENTS/LEGEND

### (OGOR-D)

OGOR Document Number: 107810478

BLM Case Number: OKNM20396

REPORT TYPE <input checked="" type="checkbox"/> ORIGINAL MODIFY (DELETE/ADD BY LINE) REPLACE (OVERLAY PREVIOUS REPORT)		MMS LEASE/AGREEMENT NUMBER	AGENCY LEASE/AGREEMENT NUMBER  OKNM20396
PRODUCTION MONTH (YYYY-MM) 2017-12	MMS OPERATOR NUMBER K2539	OPERATOR NAME CIMAREX ENERGY CO	
OPERATOR LEASE/AGREEMENT NAME HINES FEDERAL 1H		OPERATOR LEASE/AGREEMENT NUMBER	

**Disposition Codes:**

04	Sales-Subject to Royalty (NOT MEASURED)
10	Produced into inventory prior to sales
11	Transferred to Facility
13	Transferred from Facility
20	Used on L/A-Native Production Only
27	Water Disposal-Other than Transferred/Injection

**Error Codes:**

Code	Line Description
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**Comments:**

Code	Line Description
MMS	RECLAIMED 21 BBLS OIL FROM WATER PROCESSING FACILITY.

CONTACT NAME JANET PEPPERS		TELEPHONE NUMBER 9182951820
AUTHORIZING SIGNATURE	DATE	COMMENTS



# OIL AND GAS OPERATIONS REPORT

## PART A - WELL PRODUCTION

### (OGOR-A)

OGOR Document Number: 107810477

BLM Case Number: OKNM20396

REPORT TYPE <input checked="" type="checkbox"/> ORIGINAL MODIFY (DELETE/ADD BY LINE) REPLACE (OVERLAY PREVIOUS REPORT)	MMS LEASE/AGREEMENT NUMBER	AGENCY LEASE/AGREEMENT NUMBER  OKNM20396
PRODUCTION MONTH (YYYY-MM) 2017-11	MMS OPERATOR NUMBER K2539	OPERATOR NAME CIMAREX ENERGY CO
OPERATOR LEASE/AGREEMENT NAME HINES FEDERAL 1H		OPERATOR LEASE/AGREEMENT NUMBER

LINE	ACT	API WELL NUMBER				PROD. INT.	OPERATOR WELL NUMBER	WELL STATUS CODE	DAYS PROD.	PRODUCTION VOLUMES			INJECTION VOLUME (BBL/MCF)
		STATE	COUNTY	SEQUENCE	SDTRK					OIL/CONDENSATE (BBL)	GAS (MCF)	WATER (BBL)	
1	A	35	051	24117	00	S1	HINES FEDERAL 1	POW	30	29440	185959	20448	0
TOTAL PRODUCTION										29440	185959	20448	
										0	0	0	
TOTAL INJECTION													



# OIL AND GAS OPERATIONS REPORT

## PART B - PRODUCTION DISPOSITION

### (OGOR-B)

OGOR Document Number: 107810477

BLM Case Number: OKNM20396

REPORT TYPE <input checked="" type="checkbox"/> ORIGINAL MODIFY (DELETE/ADD BY LINE) REPLACE (OVERLAY PREVIOUS REPORT)		MMS LEASE/AGREEMENT NUMBER	AGENCY LEASE/AGREEMENT NUMBER  OKNM20396
PRODUCTION MONTH (YYYY-MM) 2017-11	MMS OPERATOR NUMBER K2539	OPERATOR NAME CIMAREX ENERGY CO	
OPERATOR LEASE/AGREEMENT NAME HINES FEDERAL 1H		OPERATOR LEASE/AGREEMENT NUMBER	

LINE	ACT	DISP CODE	METERING POINT	GAS PLANT	API GRAV 99.9	BTU 9999	DISPOSITION VOLUMES		
							OIL/CONDENSATE (BBL)	GAS (MCF)	WATER (BBL)
1	A	10			0.0	0	29440	0	0
2	A	11	CUSTER PLANT	T (W. OK SUPER) 02350395014	0.0	1363	0	184863	0
3	A	27			0.0	0	0	0	20448
4	A	20			0.0	0	0	1096	0
5	A	04			46.9	0	28	0	0
6	A	13			0.0	0	-28	0	0
TOTAL DISPOSITIONS							29440	185959	20448

**Disposition Codes:**

- 04 Sales-Subject to Royalty (NOT MEASURED)
- 10 Produced into inventory prior to sales
- 11 Transferred to Facility
- 13 Transferred from Facility
- 20 Used on L/A-Native Production Only
- 27 Water Disposal-Other than Transferred/Injection



# OIL AND GAS OPERATIONS REPORT PART C - PRODUCTION INVENTORY (OGOR-C)

OGOR Document Number: 107810477

BLM Case Number: OKNM20396

REPORT TYPE <input checked="" type="checkbox"/> ORIGINAL MODIFY (DELETE/ADD BY LINE) REPLACE (OVERLAY PREVIOUS REPORT)		MMS LEASE/AGREEMENT NUMBER	AGENCY LEASE/AGREEMENT NUMBER  OKNM20396
PRODUCTION MONTH (YYYY-MM) 2017-11	MMS OPERATOR NUMBER K2539	OPERATOR NAME CIMAREX ENERGY CO	
OPERATOR LEASE/AGREEMENT NAME HINES FEDERAL 1H		OPERATOR LEASE/AGREEMENT NUMBER	

LINE	ACT	PROD CODE	FACILITY NUMBER	METERING POINT	API GRAV 99.9	BEGINNING INVENTORY	PRODUCTION (BBL)	SALES (BBL)	ADJUSTMENTS		ENDING INVENTORY (BBL)
									CODE	VOLUME	
1	A	Oil			57.0	860	29440	29861		0	439
TOTALS						860	29440	29861		0	439



# OIL AND GAS OPERATIONS REPORT

## PART D - COMMENTS/LEGEND

### (OGOR-D)

OGOR Document Number: 107810477

BLM Case Number: OKNM20396

REPORT TYPE <input checked="" type="checkbox"/> ORIGINAL MODIFY (DELETE/ADD BY LINE) REPLACE (OVERLAY PREVIOUS REPORT)		MMS LEASE/AGREEMENT NUMBER	AGENCY LEASE/AGREEMENT NUMBER  OKNM20396
PRODUCTION MONTH (YYYY-MM) 2017-11	MMS OPERATOR NUMBER K2539	OPERATOR NAME CIMAREX ENERGY CO	
OPERATOR LEASE/AGREEMENT NAME HINES FEDERAL 1H		OPERATOR LEASE/AGREEMENT NUMBER	

**Disposition Codes:**

04	Sales-Subject to Royalty (NOT MEASURED)
10	Produced into inventory prior to sales
11	Transferred to Facility
13	Transferred from Facility
20	Used on L/A-Native Production Only
27	Water Disposal-Other than Transferred/Injection

**Error Codes:**

Code	Line	Description
11011	0	ORIGINAL DOCUMENT FROM PREVIOUS REPORT PERIOD IS IN SUSPENSE

**Comments:**

Code	Line	Description
MMS		RECLAIMED 28 BBLS OIL FROM WATER PROCESSING FACILITY.

CONTACT NAME JANET PEPPERS		TELEPHONE NUMBER 9182951820
AUTHORIZING SIGNATURE	DATE	COMMENTS



# OIL AND GAS OPERATIONS REPORT

## PART A - WELL PRODUCTION

### (OGOR-A)

OGOR Document Number: 107810476

BLM Case Number: OKNM20396

REPORT TYPE <input checked="" type="checkbox"/> ORIGINAL MODIFY (DELETE/ADD BY LINE) REPLACE (OVERLAY PREVIOUS REPORT)	MMS LEASE/AGREEMENT NUMBER	AGENCY LEASE/AGREEMENT NUMBER  OKNM20396
PRODUCTION MONTH (YYYY-MM) 2017-10	MMS OPERATOR NUMBER K2539	OPERATOR NAME CIMAREX ENERGY CO
OPERATOR LEASE/AGREEMENT NAME HINES FEDERAL 1H		OPERATOR LEASE/AGREEMENT NUMBER

LINE	ACT	API WELL NUMBER				PROD. INT.	OPERATOR WELL NUMBER	WELL STATUS CODE	DAYS PROD.	PRODUCTION VOLUMES			INJECTION VOLUME (BBL/MCF)
		STATE	COUNTY	SEQUENCE	SDTRK					OIL/CONDENSATE (BBL)	GAS (MCF)	WATER (BBL)	
1	A	35	051	24117	00	S1	HINES FEDERAL 1	POW	31	34376	207966	34963	0
TOTAL PRODUCTION TOTAL INJECTION										34376	207966	34963	
										0	0	0	



# OIL AND GAS OPERATIONS REPORT PART B - PRODUCTION DISPOSITION (OGOR-B)

OGOR Document Number: 107810476

BLM Case Number: OKNM20396

REPORT TYPE <input checked="" type="checkbox"/> ORIGINAL MODIFY (DELETE/ADD BY LINE) REPLACE (OVERLAY PREVIOUS REPORT)	MMS LEASE/AGREEMENT NUMBER	AGENCY LEASE/AGREEMENT NUMBER  OKNM20396
PRODUCTION MONTH (YYYY-MM) 2017-10	MMS OPERATOR NUMBER K2539	OPERATOR NAME CIMAREX ENERGY CO
OPERATOR LEASE/AGREEMENT NAME HINES FEDERAL 1H		OPERATOR LEASE/AGREEMENT NUMBER

LINE	A/C	DISP CODE	METERING POINT	GAS PLANT	API GRAV 99.9	BTU 9999	DISPOSITION VOLUMES		
							OIL/CONDENSATE (BBL)	GAS (MCF)	WATER (BBL)
1	A	10			0.0	0	34376	0	0
2	A	11	CUSTER PLANT	T (W. OK SUPER) 02350395014	0.0	1393	0	206773	0
3	A	27			0.0	0	0	0	34963
4	A	20			0.0	0	0	1193	0
5	A	04			46.6	0	31	0	0
6	A	13			0.0	0	-31	0	0
TOTAL DISPOSITIONS							34376	207966	34963

**Disposition Codes:**

- 04 Sales-Subject to Royalty (NOT MEASURED)
- 10 Produced into inventory prior to sales
- 11 Transferred to Facility
- 13 Transferred from Facility
- 20 Used on L/A-Native Production Only
- 27 Water Disposal-Other than Transferred/Injection



# OIL AND GAS OPERATIONS REPORT PART C - PRODUCTION INVENTORY (OGOR-C)

OGOR Document Number: 107810476

BLM Case Number: OKNM20396

REPORT TYPE <input checked="" type="checkbox"/> ORIGINAL MODIFY (DELETE/ADD BY LINE) REPLACE (OVERLAY PREVIOUS REPORT)		MMS LEASE/AGREEMENT NUMBER	AGENCY LEASE/AGREEMENT NUMBER  OKNM20396
PRODUCTION MONTH (YYYY-MM) 2017-10	MMS OPERATOR NUMBER K2539	OPERATOR NAME CIMAREX ENERGY CO	
OPERATOR LEASE/AGREEMENT NAME HINES FEDERAL 1H		OPERATOR LEASE/AGREEMENT NUMBER	

LINE	ACT	PROD CODE	FACILITY NUMBER	METERING POINT	API GRAV 99.9	BEGINNING INVENTORY	PRODUCTION (BBL)	SALES (BBL)	ADJUSTMENTS		ENDING INVENTORY (BBL)
									CODE	VOLUME	
1	A	Oil			55.6	1111	34376	34627		0	860
TOTALS						1111	34376	34627		0	860



# OIL AND GAS OPERATIONS REPORT

## PART D - COMMENTS/LEGEND

### (OGOR-D)

OGOR Document Number: 107810476

BLM Case Number: OKNM20396

REPORT TYPE <input checked="" type="checkbox"/> ORIGINAL MODIFY (DELETE/ADD BY LINE) REPLACE (OVERLAY PREVIOUS REPORT)		MMS LEASE/AGREEMENT NUMBER	AGENCY LEASE/AGREEMENT NUMBER  OKNM20396
PRODUCTION MONTH (YYYY-MM) 2017-10	MMS OPERATOR NUMBER K2539	OPERATOR NAME CIMAREX ENERGY CO	
OPERATOR LEASE/AGREEMENT NAME HINES FEDERAL 1H		OPERATOR LEASE/AGREEMENT NUMBER	

**Disposition Codes:**

04	Sales-Subject to Royalty (NOT MEASURED)
10	Produced into inventory prior to sales
11	Transferred to Facility
13	Transferred from Facility
20	Used on L/A-Native Production Only
27	Water Disposal-Other than Transferred/Injection

**Error Codes:**

Code	Line	Description
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**Comments:**

Code	Line	Description
MMS		RECLAIMED 31 BBLS OIL FROM WATER PROCESSING FACILITY.

CONTACT NAME JANET PEPPERS		TELEPHONE NUMBER 9182951820
AUTHORIZING SIGNATURE	DATE	COMMENTS



# OIL AND GAS OPERATIONS REPORT

## PART A - WELL PRODUCTION

### (OGOR-A)

OGOR Document Number: 107810475

BLM Case Number: OKNM20396

REPORT TYPE <input checked="" type="checkbox"/> ORIGINAL MODIFY (DELETE/ADD BY LINE) REPLACE (OVERLAY PREVIOUS REPORT)	MMS LEASE/AGREEMENT NUMBER	AGENCY LEASE/AGREEMENT NUMBER  OKNM20396
PRODUCTION MONTH (YYYY-MM) 2017-09	MMS OPERATOR NUMBER K2539	OPERATOR NAME CIMAREX ENERGY CO
OPERATOR LEASE/AGREEMENT NAME HINES FEDERAL 1H		OPERATOR LEASE/AGREEMENT NUMBER

L I N E	A C T	API WELL NUMBER				PROD. INT.	OPERATOR WELL NUMBER	WELL STATUS CODE	DAYS PROD.	PRODUCTION VOLUMES			INJECTION VOLUME (BBL/MCF)
		STATE	COUNTY	SEQUENCE	SDTRK					OIL/CONDENSATE (BBL)	GAS (MCF)	WATER (BBL)	
1	A	35	051	24117	00	S1	HINES FEDERAL 1	POW	30	19645	119790	51461	0
TOTAL PRODUCTION										19645	119790	51461	
										0	0	0	
TOTAL INJECTION													



# OIL AND GAS OPERATIONS REPORT PART B - PRODUCTION DISPOSITION (OGOR-B)

OGOR Document Number: 107810475

BLM Case Number: OKNM20396

REPORT TYPE <input checked="" type="checkbox"/> ORIGINAL MODIFY (DELETE/ADD BY LINE) REPLACE (OVERLAY PREVIOUS REPORT)		MMS LEASE/AGREEMENT NUMBER	AGENCY LEASE/AGREEMENT NUMBER  OKNM20396
PRODUCTION MONTH (YYYY-MM) 2017-09	MMS OPERATOR NUMBER K2539	OPERATOR NAME CIMAREX ENERGY CO	
OPERATOR LEASE/AGREEMENT NAME HINES FEDERAL 1H		OPERATOR LEASE/AGREEMENT NUMBER	

LINE	ACT	DISP CODE	METERING POINT	GAS PLANT	API GRAV 99.9	BTU 9999	DISPOSITION VOLUMES		
							OIL/CONDENSATE (BBL)	GAS (MCF)	WATER (BBL)
1	A	10			0.0	0	19645	0	0
2	A	11	CUSTER PLANT	T (W. OK SUPER) 02350395014	0.0	1393	0	118664	0
3	A	27			0.0	0	0	0	51461
4	A	20			0.0	0	0	1126	0
5	A	04			47.7	0	38	0	0
6	A	13			0.0	0	-38	0	0
TOTAL DISPOSITIONS							19645	119790	51461

**Disposition Codes:**

04 Sales-Subject to Royalty (NOT MEASURED)  
 10 Produced into inventory prior to sales  
 11 Transferred to Facility  
 13 Transferred from Facility  
 20 Used on L/A-Native Production Only  
 27 Water Disposal-Other than Transferred/Injection



# OIL AND GAS OPERATIONS REPORT

## PART C - PRODUCTION INVENTORY

### (OGOR-C)

OGOR Document Number: 107810475

BLM Case Number: OKNM20396

REPORT TYPE <input checked="" type="checkbox"/> ORIGINAL MODIFY (DELETE/ADD BY LINE) REPLACE (OVERLAY PREVIOUS REPORT)		MMS LEASE/AGREEMENT NUMBER	AGENCY LEASE/AGREEMENT NUMBER  OKNM20396
PRODUCTION MONTH (YYYY-MM) 2017-09	MMS OPERATOR NUMBER K2539	OPERATOR NAME CIMAREX ENERGY CO	
OPERATOR LEASE/AGREEMENT NAME HINES FEDERAL 1H		OPERATOR LEASE/AGREEMENT NUMBER	

LINE	ACT	PROD CODE	FACILITY NUMBER	METERING POINT	API GRAV 99.9	BEGINNING INVENTORY	PRODUCTION (BBL)	SALES (BBL)	ADJUSTMENTS		ENDING INVENTORY (BBL)
									CODE	VOLUME	
1	A	Oil			53.2	17	19645	18551		0	1111
TOTALS						17	19645	18551		0	1111



# OIL AND GAS OPERATIONS REPORT

## PART D - COMMENTS/LEGEND

### (OGOR-D)

OGOR Document Number: 107810475

BLM Case Number: OKNM20396

REPORT TYPE    X ORIGINAL MODIFY (DELETE/ADD BY LINE) REPLACE (OVERLAY PREVIOUS REPORT)		MMS LEASE/AGREEMENT NUMBER	AGENCY LEASE/AGREEMENT NUMBER  OKNM20396
PRODUCTION MONTH (YYYY-MM) 2017-09	MMS OPERATOR NUMBER K2539	OPERATOR NAME CIMAREX ENERGY CO	
OPERATOR LEASE/AGREEMENT NAME HINES FEDERAL 1H		OPERATOR LEASE/AGREEMENT NUMBER	

**Disposition Codes:**

04	Sales-Subject to Royalty (NOT MEASURED)
10	Produced into inventory prior to sales
11	Transferred to Facility
13	Transferred from Facility
20	Used on L/A-Native Production Only
27	Water Disposal-Other than Transferred/Injection

**Error Codes:**

Code	Line	Description
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**Comments:**

Code	Line	Description
MMS		RECLAIMED 38 BBLS OIL FROM WATER PROCESSING FACILITY.

CONTACT NAME JANET PEPPERS		TELEPHONE NUMBER 9182951820
AUTHORIZING SIGNATURE	DATE	COMMENTS



# CENTRAL FILES

Form 3160-18  
(October, 1999)

Number 18CL003

Page 1 of 1

☒ Certified Mail - Return Receipt Requested  
7017240000041604976

## UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

### NOTICE OF WRITTEN ORDER

IDENTIFICATION	
IID	
Lease	OKNM20396
CA	
Unit	
PA	

Bureau of Land Management Office <b>OKLAHOMA FIELD OFFICE</b>				Operator <b>CIMAREX ENERGY COMPANY</b>			
Address <b>201 STEPHENSON PKWY, STE 1200 NORMAN OK 73072</b>				Address <b>202 S CHEYENNE AVE STE 1000 TULSA OK 74103-4311</b>			
Telephone <b>405-579-7159</b>				Attention			
Inspector <b>LEE</b>				Attn Addr			
Site Name <b>HINES FEDERAL 1H-0235X</b>	Well/Facility/FMP <b>A</b>	1/4 1/4 Section <b>SWSE 2</b>	Township <b>10N</b>	Range <b>8W</b>	Meridian <b>IND</b>	County <b>GRADY</b>	State <b>OK</b>
Site Name	Well/Facility/FMP	1/4 1/4 Section	Township	Range	Meridian	County	State
Site Name	Well/Facility/FMP	1/4 1/4 Section	Township	Range	Meridian	County	State

The following condition(s) were found by Bureau of Land Management Inspectors on the date and at the site(s) listed above.

Date	Time (24-hour clock)	Corrective Action to be Completed by	Date Corrected	Authority Reference
05/18/2018	09:00	06/29/2018		43 CFR 3162.1 (a)

Remarks:

Submit an updated Site Facility Diagram in accordance with 43 CFR 3173.11 via Sundry Notice 3160-5.

When the Written Order is complied with, sign this notice and return to above address.

Company Representative Title Regulatory Tech Signature Shonda Shulden Date 5-31-18

Company Comments

#### Warning

The Authorized Officer has authority to issue a Written Order in accordance with 43 CFR 3161.2. Written Order correction and reporting time frames begin upon receipt of this Notice or 7 business days after the date it is mailed, whichever is earlier. Each stipulation must be corrected within the prescribed time from receipt of this Notice and reported to the Bureau of Land Management Office at the address shown above. If you do not comply as noted above under "Corrective Action to be Completed By", you shall be issued an Incident of Noncompliance (INC) in accordance with 43 CFR 3163.1(a). Failure to comply with the INC may result in assessments as outlined in 43 CFR 3163.1 and may also incur civil penalties (43 CFR 3163.2). All self-certified corrections must be postmarked no later than the next business day after the prescribed time frame for correction.

Section 109(d)(1) of the Federal Oil and Gas Royalty Management Act of 1982, as implemented by the applicable provisions of the operating regulations at Title 43 CFR 3163.2(f)(1), provides that any person who "knowingly or willfully" prepares, maintains, or submits false, inaccurate, or misleading reports, notices, affidavits, records, data, or other written information required by this part shall be liable for a civil penalty of up to \$25,000 per violation for each day such violation continues, not to exceed a maximum of 20 days.

#### Review and Appeal Rights

A person contesting a decision shall request a State Director review of the Written Order. This request must be filed within 20 working days of receipt of the Notice with the appropriate State Director (see 43 CFR 3165.3). The State Director review decision may be appealed to the Interior Board of Land Appeals, 801 North Quincy Street, Suite 300, Arlington, VA 22203 (see 43 CFR 3165.4). Contact the above listed Bureau of Land Management office for further information.

Signature of Bureau of Land Management Authorized Officer <u>Heather A. Bailey</u>	Date <u>5/23/2018</u>	Time <u>0830 hrs</u>
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#### FOR OFFICE USE ONLY

Number <b>15</b>	Date	Type of Inspection <b>PI</b>
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BLM OKFO NORMAN 06-04-2018 02:32 PM



## CENTRAL FILES

Form 3160-18  
(October, 1999)

Number 18CL004

Page 1 of 1

☒ Certified Mail - Return  
Receipt Requested  
7017240000041604976UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
NOTICE OF WRITTEN ORDER

IDENTIFICATION	
ID	
Lease	OKNM20396
CA	
Unit	
PA	

Bureau of Land Management Office <b>OKLAHOMA FIELD OFFICE</b>				Operator <b>CIMAREX ENERGY COMPANY</b>			
Address <b>201 STEPHENSON PKWY, STE 1200 NORMAN OK 73072</b>				Address <b>202 S CHEYENNE AVE STE 1000 TULSA OK 74103-4311</b>			
Telephone <b>405-579-7159</b>				Attention			
Inspector <b>LEE</b>				Attn Addr			
Site Name <b>HINES FEDERAL</b>	Well/Facility/FMP <b>1H-0235X</b>	1/4 1/4 Section <b>SWSE 2</b>	Township <b>10N</b>	Range <b>8W</b>	Meridian <b>IND</b>	County <b>GRADY</b>	State <b>OK</b>
Site Name <b>HINES FEDERAL 1H-0235X</b>	Well/Facility/FMP <b>A</b>	1/4 1/4 Section <b>SWSE 2</b>	Township <b>10N</b>	Range <b>8W</b>	Meridian <b>IND</b>	County <b>GRADY</b>	State <b>OK</b>
Site Name	Well/Facility/FMP	1/4 1/4 Section	Township	Range	Meridian	County	State

The following condition(s) were found by Bureau of Land Management Inspectors on the date and at the site(s) listed above.

Date	Time (24-hour clock)	Corrective Action to be Completed by	Date Corrected	Authority Reference
05/18/2018	09:00	06/29/2018		43 CFR 3162.1 (a)

Remarks:

Operator shall submit a Sundry Notice, form 3160-5, for off-lease removal of water together with a copy of the authorization for the disposal facility per Onshore Order 7 III. B. 2. a.

When the Written Order is complied with, sign this notice and return to above address.

Company Representative Title Regulatory Tech Signature Phonda Hudson Date 5-31-18

Company Comments

## Warning

The Authorized Officer has authority to issue a Written Order in accordance with 43 CFR 3161.2. Written Order correction and reporting time frames begin upon receipt of this Notice or 7 business days after the date it is mailed, whichever is earlier. Each stipulation must be corrected within the prescribed time from receipt of this Notice and reported to the Bureau of Land Management Office at the address shown above. If you do not comply as noted above under "Corrective Action to be Completed By", you shall be issued an Incident of Noncompliance (INC) in accordance with 43 CFR 3163.1(a). Failure to comply with the INC may result in assessments as outlined in 43 CFR 3163.1 and may also incur civil penalties (43 CFR 3163.2). All self-certified corrections must be postmarked no later than the next business day after the prescribed time frame for correction.

Section 109(d)(1) of the Federal Oil and Gas Royalty Management Act of 1982, as implemented by the applicable provisions of the operating regulations at Title 43 CFR 3163.2(f)(1), provides that any person who "knowingly or willfully" prepares, maintains, or submits false, inaccurate, or misleading reports, notices, affidavits, records, data, or other written information required by this part shall be liable for a civil penalty of up to \$25,000 per violation for each day such violation continues, not to exceed a maximum of 20 days.

## Review and Appeal Rights

A person contesting a decision shall request a State Director review of the Written Order. This request must be filed within 20 working days of receipt of the Notice with the appropriate State Director (see 43 CFR 3165.3). The State Director review decision may be appealed to the Interior Board of Land Appeals, 801 North Quincy Street, Suite 300, Arlington, VA 22203 (see 43 CFR 3165.4). Contact the above listed Bureau of Land Management office for further information.

Signature of Bureau of Land Management Authorized Officer <u>[Signature]</u>	Date <u>5/23/2018</u>	Time <u>0830 hrs</u>
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## FOR OFFICE USE ONLY

Number <u>33</u>	Date	Type of Inspection <u>PI</u>
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BLM OKFO NORMAN 06-04-2018 02:32 PM